

Y4.5 89/11. 103/87

IMPACT OF CRIME ON SMALL BUSINESS

JOINT HEARING

BEFORE THE

SUBCOMMITTEE ON

CRIME AND CRIMINAL JUSTICE

OF THE

COMMITTEE ON THE JUDICIARY

AND THE

SUBCOMMITTEE ON SBA LEGISLATION AND THE
GENERAL ECONOMY

OF THE

COMMITTEE ON SMALL BUSINESS

HOUSE OF REPRESENTATIVES

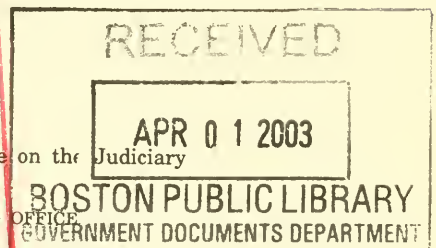
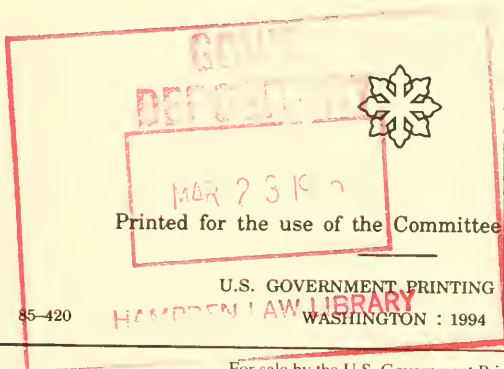
ONE HUNDRED THIRD CONGRESS

FIRST SESSION

DECEMBER 15, 1993

Committee on the Judiciary Serial No. 87

Committee on Small Business Serial No. 103-114



85-420

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Superintendent of Documents, Congressional Sales Office, Washington, DC 20402
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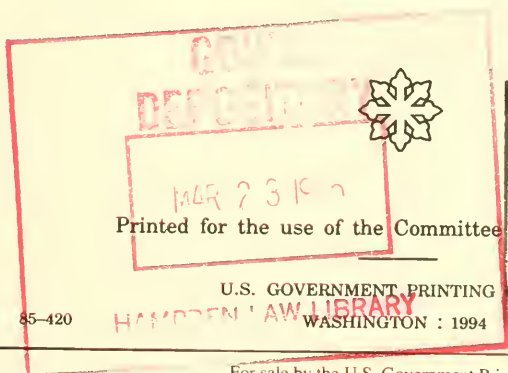
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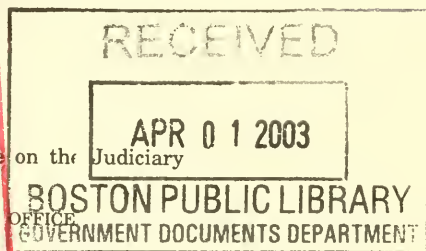
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IMPACT OF CRIME ON SMALL BUSINESS

WEDNESDAY, DECEMBER 15, 1993

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON CRIME AND CRIMINAL JUSTICE, COMMITTEE ON THE JUDICIARY, AND SUBCOMMITTEE ON SBA LEGISLATION AND THE GENERAL ECONOMY, COMMITTEE ON SMALL BUSINESS,

Buffalo, NY.

The subcommittees met, pursuant to notice, at 10:17 a.m., in the auditorium of the Buffalo and Erie County Public Library, Buffalo, NY, Hon. Charles E. Schumer (chairman of the Subcommittee on Crime and Criminal Justice) presiding.

Members present from the Subcommittee on Crime and Criminal Justice: Representatives Charles E. Schumer, and David Mann.

Staff present from the Subcommittee on Crime and Criminal Justice: Tom Diaz, assistant counsel; Aliza W. Rieger, secretary; and Lyle Nirenberg, minority counsel.

Member present from Subcommittee on SBA Legislation and the General Economy: Representative John J. LaFalce (chairman of the subcommittee).

Staff present from the subcommittee on SBA Legislation and the General Economy: C.E. Rowe, minority counsel, and Peter Hadrovic, district representative, office of Mr. LaFalce.

OPENING STATEMENT OF CHAIRMAN LaFALCE

Mr. LaFALCE. Good morning.

Today the committee that I chair and the Subcommittee on Crime and Criminal Justice chaired by Congressman Chuck Schumer from New York City are convening jointly here in Buffalo to take testimony on an issue which I believe is of vital importance to small businesses, the terrible effect which crime is having on our Nation's small business sector.

All of us know the vital importance of the small business sector to our Nation's economy and general well-being. Small businesses generate most of our Nation's new jobs, they employ most of the Nation's work force, they are our primary engine of innovation, and they contribute immeasurably to the vitality of our cities, our towns, our local neighborhoods.

All of us, many through grievous firsthand experience, also know of the ravages which crime is inflicting on all sectors of our society, including the business community. Not a day goes by that we do not hear more horror stories about the epidemic of lawlessness that seems at times to be imperiling everyone and about the horrendous

consequences that this disregard for the law and society is wreaking everywhere.

The people and the small businesses of western New York, unfortunately, have not been immune from this plague of criminality. Here in western New York, as elsewhere, there are continual incidents of shoplifting, vandalism, burglary, robbery, mugging, shooting, murder, arson, drug dealing, kidnapping, and a host of other heinous crimes.

FBI statistics for Buffalo, for example, show that since 1988 murders are up 70.2 percent; robberies, 69.4 percent; assaults, 36.8 percent; burglary, 11.1 percent; and larceny, 19.2 percent.

The December 13 issue of *Business Week*, perhaps our Nation's most popular business magazine, devotes its cover story to the economics of crime. *Business Week*, in a new survey of the economic cost of crime, states, and I quote.

Crime costs Americans a stunning \$425 billion each year. That is almost one-half trillion dollars; \$90 billion for the criminal justice system for police, courts, and prisons, \$65 billion for security guards and security systems; \$45 billion in stolen goods and other property loss; at least \$5 billion in medical care costs; and \$170 billion in the cost of lost and shattered lives.

Finally, and directly related to this morning's hearing, the cost of lost jobs and fleeing residents results in a cost of \$50 billion per year to our urban areas as businesses, the jobs that go with them, and working people of all races flee to areas they feel are safer for themselves, their children, and their customers.

In a recent study of a typical neighborhood business area in Columbus, OH, over 94 percent of the small businesses reported being hit by crime in the prior 3 years, not just once, but an average of four times each.

The study also showed that 74 percent suffered the vandalism of business property, 49 percent suffered burglary, 48 percent had vehicles stolen or broken into, 39 percent lost property to shoplifters, 29 percent had their customers robbed or attacked, 26 percent of owners had been robbed or attacked, and 16 percent had suffered from nearby drug dealings.

As a result, these businesses suffered increased insurance costs, costly repairs, reductions in sales, cutbacks in their hours of operation, and difficulties in hiring employees. A full 40 percent had considered moving their businesses to safer neighborhoods, and some 16 percent had considered closing for good.

Studies such as the one I just cited, however, are rare. Very little study has actually been done to pinpoint the real impact of crime on businesses nationwide. In fact, police do not collect data on crime against small businesses, per se. Police describe crime using the terms, "personal," "residential," and "nonresidential," where the term "nonresidential" merely means any crime not personal or residential. Neither does the Small Business Administration nor the National Institute of Justice collect such statistics.

Hearings like today's, therefore, are vitally important to bring the small business aspect of the crime problem into focus, to increase public awareness of its exact dimensions, and to enable legislators like ourselves to formulate appropriate legislative responses.

In this last session just ended, the Congress addressed many aspects of the crime problem, including drug rehabilitation for prisoners, increased penalties for drug trafficking and gang-related activities and for violence against women, alternative punishments such as boot camps for youthful offenders, a waiting period for handgun purchases, a ban on possession of guns by youths under 18 years of age, and many other aspects of the crime problem.

In fact, this session has been the most productive in anticrime legislation of any that I can remember, and primary credit goes to the Subcommittee on Crime chaired by Congressman Schumer and sat on so excellently by Congressman Dave Mann of Cincinnati, OH.

It was Congressman Schumer who was the lead author of every single bill I just mentioned that passed the House of Representatives and Congressman David Mann of Ohio who was the principal coauthor of each of those bills.

But we have not specifically addressed the problem of crimes against businesses with any legislative proposals especially designed to meet this particular concern, and I hope that today's hearing will throw some very useful light on this subject and might provide some useful ideas for constructive legislation in the future.

So I very much look forward to hearing the views of our witnesses, and I now turn it over to Congressman Chuck Schumer.

OPENING STATEMENT OF CHAIRMAN SCHUMER

Mr. SCHUMER. Well, thank you, John, and good morning, ladies and gentlemen.

First off, let me thank Chairman LaFalce for spearheading this hearing today. I don't think the people in western New York need to be reminded, but I think I ought to say it anyway, and that is, in terms of small business issues and so many of the crime issues that afflict us, John LaFalce has been a preeminent leader. He has really, in terms of the Congress, put small business on the map.

All too often when we think of business, we think of the giant industries, and that is not where all the jobs are. In fact, most of them are in small business. That is not also where all the crime is. Most of those affect small business, unfortunately, and John's leadership is exemplary. I know I speak for my colleague, David Mann, and so many others in the Congress just to say to John two little words, thank you for everything you have done.

Well, when John and I talked about this hearing on the floor of the House this fall, we saw the importance of talking about crime and its impact on small business. I look forward to us working together in the months ahead on finding solutions to the problems we are going to hear about this morning. The fact that we are having a hearing underscores a harsh fact about crime in America today. Crime, and violent crime in particular, have invaded every part of our lives. It reaches into every community in New York State, and indeed into all of America.

It has an enormous impact on small business, which is the heart of America's economy.

Crime is hitting America's small business like an earthquake, and, like an earthquake, its effects radiate out and shake every one of us. We feel those tremors most sharply at the human level, and

that is because crime is becoming more violent. We feel fear; we feel anger. We feel these things because we no longer feel safe as we go about our daily business. We have learned that violent crime can strike us or our loved ones anywhere, any time.

The heartbreak we all felt watching the news about the 12-year-old girl in California, and of course in my area, New York City, just watching on the news screens the horrified faces of the people on the 5:33 out to Garden City. If there is ever an epitome of peaceful, safe life in America, it would be Garden City; crime struck there too.

Now there was a time when we all felt there were zones of safety, that we could go anywhere and feel safe. That time is over. Thirty years ago, our parks may have been taken away from us by violent criminals; and 20 years ago maybe we didn't feel safe on the streets; 10 years ago our schools, 5 years ago our homes. Now it is true of our businesses, and last year even our cars. You used to feel that when you got into your car, put on the radio, turn on the heat on a cold day, and you would feel you were in a safe cocoon. All of a sudden we hear about carjackings throughout cities in America. People don't feel safe.

So our zones of safety have been violated, and that has been true in small business as well. Why should a small business person who is struggling to make ends meet and to earn a living also have to worry about security systems, worry about customers staying away because of crime, and worry, worst of all, about their own safety? That is intolerable, and today we are going to hear about how it affects our grocery stores, our clothing shops, print shops, thousands of other small enterprises that we take for granted in our lives.

And let me say I know this from personal experience. My dad—thank God he is still alive—was a small businessman until his business was sold. I remember on a Sunday morning as a young child being called by the police and having to go down to his shop and seeing that the whole place had been turned upside-down. The money that was stolen from the cash register was the least of it. Every file was overturned. It was as if his whole life's work had been violated in a moment by some faceless, nameless criminal.

Well, I am sorry to say it, but that happens probably every minute in America. Some small business person is called up and told his store has been burglarized. It is a horrible feeling.

Even when small businesses are not direct victims of violent crime, they suffer from indirect effects. Customers are driven away, employees refuse to work in high crime areas, security costs go up, insurance rates become prohibitive. The crime that these businesses suffer affects every one of our lives in hundreds of ways. For example, every single one of us pays a hidden crime tax. That tax represents the cost that business pays in direct losses, added security, and court costs.

The most recent estimate, as John mentioned, is that crime costs America \$425 billion a year. That is \$4,000 for every household in America. What a tax.

We also pay other hidden costs as well. We suffer when high crime rates force businesses to close. Residents lose choices in the

marketplace, they lose jobs, and when they lose jobs, the spiral of crime becomes even sharper.

We are here today to hear firsthand the real experiences of the people of Buffalo. The stories they will tell us are important. They breathe much needed life into the dry statistics and impersonal policy discussions that we hear every day in Washington. And we are also here to bring a message of hope. Buffalo, Rochester, New York City, and America to do not have to take violent crime sitting down. There is no single easy answer, but there are many things we can do together at the State, local, and Federal levels that will add up to an effective solution to this earthquake of violent crime.

We need more cops on our streets. The House, in a bill that I authored and John and David wholeheartedly supported and rounded up votes for, will provide, if we can pass this bill, money to localities to put the cop back on the beat. Imagine how good you would feel as a small business person if, once every fourth or fifth day, a police officer simply on patrol strolled by your store and poked his head in. That used to happen in America routinely; it hardly does any more.

We also need tougher laws to keep the guns out of the hands of the violent criminal without impeding the rights of law-abiding citizens. We need swift and certain punishment for all criminals, especially young offenders. Too many young people walk away from early crimes with nothing more than a slap on the wrist, and then they feel the system has no teeth, and they go on to greater and greater crimes. Too many violent offenders are freed early because our prisons are too crowded to hold them; and, finally, it is my belief we need the death penalty in appropriate cases.

Congress is working in all of these areas. In the last session, we passed bills to put 100,000 more cops on the beat, we passed the Brady bill, and we passed legislation to make punishment more certain and to treat drug-addicted prisoners. Much more must be done, and hearings like this may help us do it. They help John and David and I to inform our colleagues how much more must be done and how quickly it must be done.

Believe me, we can do this job. We can win back our streets, we can win back our parks, our schools, our homes, and our businesses. We can beat crime if we work together.

Thank you.

Mr. LAFALCE. Congressman Mann, do you have any statement you wish to make?

Mr. MANN. Mr. Chairman, let me simply thank you for scheduling this hearing today on this subject that is so important, I think, in every city in the country.

I come from Cincinnati. Before I went to the Congress, I was mayor of Cincinnati, and, Mr. Mayor, I suspect that one of the things that you soon will be struggling with is the viability of neighborhood business districts, and that certainly was true in Cincinnati. Neighborhood business districts and their viability depend on the health of small businesses.

If an additional cost of having a small business in a city neighborhood is to be subjected to crime in ways that the shopping malls and so forth don't experience, or if your customers suffer through a perception that it is not safe to come to your place of business

in a neighborhood business district, that obviously has a very adverse impact on the ability of a neighborhood business district to survive, and in Cincinnati, at least, we felt that good neighborhoods require good neighborhood business districts; they went hand in hand.

So I look forward to hearing from the panelists today, and we appreciate very much you participating with us, and we will listen very carefully and go back to Washington with fresh ideas from you.

Thank you very much.

Mr. LAFALCE. Thank you.

If I could have unanimous consent, I would like to leave the record open at this time for any statements that members of either committee have that couldn't be in attendance. I have one from Mrs. Meyers, the ranking minority member of the full Small Business Committee.

[The prepared statement of Mrs. Meyers follows:]

STATEMENT of REPRESENTATIVE JAN MEYERS
"Crime Against Small Business"
Committee on Small Business
U.S. House of Representatives
December 14, 1993

Mr. Chairman, thank you for holding this hearing today to explore the issue of crime and small business. Criminal acts occur at an alarming rate in this country and often the target is small business. Having accessible cash is a typical characteristic of many small businesses, such as convenience stores, dry cleaners and gas stations, and studies have shown that these types of businesses are frequent crime victims. A Department of Labor study states that in 1991 there were 687,732 robberies in the U.S. 18,000 were robberies of gas stations, 39,000 were robberies of convenience stores, and 11,000 were bank robberies. The study also cites that 24% of those who fell victim to homicide at work were either self-employed or working in the family business.

In an effort to fight back and protect their investment, many store owners have taken security measures such as installing bullet proof glass, alarm systems and cameras--but these measures don't come cheaply. In 1991, U.S. News & World Report estimated that crime cost businesses \$128 billion in direct costs, litigation expenses, and security outlays, a figure that has doubled since 1980.

Unfortunately, many small businesses cannot afford to pay for these added security measures and are forced to close or relocate to a "safer" area. The result is fewer businesses and shops and the jobs they create, in high-crime urban

centers.

We need to get to the root of our crime problem, for the sake of small businesses and for our society. In addition to putting more cops on the beat and making sure criminals do time, we need to address factors that contribute to crime- unemployment, drug abuse and unwanted children being raised by impoverished single parents.

Mr. Chairman, I'm not sure we'll be able to solve the crime issue today, as it is deep and complex, but I am glad we've assembled this forum to grapple with this important issue.

Mr. SCHUMER. John, without objection, the chair has received a request to cover this hearing in whole or part by television broadcast, radio broadcast, still photography, or other similar methods. In accordance with Judiciary Committee rule 5, permission will be granted unless there is objection.

Mr. LaFALCE. Without objection, so ordered.

Let's now go to the guts of the hearing, the testimony of the witnesses, and we have two excellent panels today. The first panel is going to be led off by the newly elected mayor of the city of Buffalo who will take office January 1. I have had the pleasure of working with Mayor-elect Masiello from the earliest days in the early 1970's as a city councilman, a State legislator, State senator, and now mayor-elect.

Mayor-elect Masiello, we are looking forward to great days ahead for the city of Buffalo under your leadership, and I want you to know that my office wants to work hand in hand with your office. Anything that you think the Federal Government can do to be of assistance to the city of Buffalo, I want to do it, and I know that I speak for my colleagues on both these panels, too; they will want to join ranks with me and work with you to bring about a better future for the city of Buffalo.

So we are delighted to have you with us today, and please proceed.

Mr. SCHUMER. Would you yield just for 1 minute?

Mr. LaFALCE. Sure.

Mr. SCHUMER. I, too, want to thank the mayor as well as all of our witnesses for being here today.

Tony, I think everyone all over New York State is excited about the prospect of your becoming mayor, and you have already made a great impression.

I have known Tony for a long time. We know each other on the basketball court—and if you are as proficient as mayor as you are under the hoops, Buffalo has a great future ahead of it. But, seriously, you have already made a wonderful impression. I want to thank you for coming here and for your input and look forward to working with you.

STATEMENT OF ANTHONY M. MASIELLO, MAYOR-ELECT, CITY OF BUFFALO, NY

Mr. MASIELLO. Thank you very much, Congressman LaFalce and Congressman Schumer, and Congressman Mann. Thank you so much for coming to Buffalo, and thank you for holding this hearing here.

Incidentally, John, if we are going to solve the multitude of problems we have in this city, and if we are going to realize the great potential that we have in this city, we are going to have to do it together. That network and partnership between many entities including, obviously, the city and the Federal Government must take place, and I am looking forward to networking with you here in Buffalo and in Washington.

And, Chuck, certainly it is a pleasure to have you in Buffalo. You mentioned my past basketball prowess. I must admit to all of you here that I received one black eye in my whole athletic career, 46 years, and that took place just 2 or 3 years ago in the congressional

gym. So I have played in a lot of tough neighborhoods, but that is really tough, I'll tell you, very physical, and I will need to sharpen my elbows if we are going to make a difference here in Buffalo. I won't tell you who gave me the elbow, but he was bigger than I am. But it was accidental, and he is a great guy.

Across the Northeast and throughout the Midwest, cities like Buffalo are struggling through an economic metamorphosis, trying to emerge from their shell of overreliance on heavy manufacturing, and under the brave new world of service and information-based industries and high-technology manufacturing.

Much of that change has been predicated by Federal trade policies which have encouraged our blue-collar, good-paying jobs to relocate to the Sunbelt States in general and the Tex-Mex border in particular. To rescue the bleak unemployment situation resulting from this shift, cities like Buffalo are relying on small business to provide economic stimulus and a reason for hope.

But that optimism is being tempered by growing doubt that small businesses, particularly neighborhood-based small businesses, can survive the onslaught of violent crime that is sweeping our cities and preying on smaller entrepreneurs.

The foundation underpinning this fledgling economic infrastructure is already fragile. It is not easy for greengrocers and neighborhood deli's to go head to head with their chain store competitors even in the best of circumstances.

Unemployment, underemployment, and despair have rendered large urban tracts impoverished. Worst still, they have left our people with a mounting sense of rage and frustration, and, worst of all, the rage and the frustration and the despair are all too frequently manifest in drug and alcohol abuse and the crime that feeds on them. Government in the economically depressed areas of the Northeast are increasingly consumed by the social costs of joblessness and the actual costs of crime.

If we are to create a climate conducive to the growth and prosperity of small and neighborhood-based businesses, we must first create a climate conducive to public confidence in our neighborhoods and our basic ability to protect jobs, businesses, and people.

In Buffalo, we will soon embark on an ambitious program of community policing designed particularly to make the neighborhoods and their police department feel comfortable with each other. But there is only so much a city like Buffalo can do without outside help.

Long ago, the Federal Government saw a wisdom in helping the border regions of the Southwest with incentives such as a maquiladora program. One of the results of that program was the loss of thousands of good paying jobs, particularly in cities like Buffalo. In their place, we were left to deal with all the attendant problems of poverty, not the least of which is violent crime.

If we are to clear this obstacle, if we are to overcome the mounting fear of crime, if we are to overcome the critical loss of public confidence in the Government's ability to protect society, we will have to do it together, working in unison toward the common goals for the collective good. We can't do it alone, but it must be done, and I hope cities like Buffalo can count on your support and your cooperation to deal with this war on crime.

Gentlemen and ladies, it is certainly a pleasure to be here today, and I would more than be happy to answer any questions you have and to continue this dialogue.

Mr. LAFALCE. Thank you very much, Mayor-elect Masiello. You and I have had opportunities to discuss this issue many times in the past, and we are going to be getting together tomorrow and the next day and the next day, so I am going to defer for questioning right now to Congressman Chuck Schumer and David Mann.

Mr. SCHUMER. Thank you, John, and we know you have a busy schedule, Mr. Mayor, so we want to ask a few questions now.

Let me ask you this. You know, we have a number of things in the crime bill that should toughen things up. And for the first time, I am really happy to say, this crime bill—which hasn't yet passed but has passed the Senate and we will take it up in the House in January or February—is aimed at helping localities and aimed at really preventing crime.

We have a number of priorities. I would just like to get our off-the-cuff reaction on which are the most important. As you know, we have money for "Cop on the Beat" to help localities pay for putting police back on patrol. We have money for regional prisons, to help the States put away the violent criminals. As you know, all too often they are sentenced to large sentences, and then they are out in no time because there is no room in the jails. And we have money for drug treatment in the prison, so that when the prisoner comes out, they are not a drug addict and committing another crime again.

My question to you is: I know all three of these are important, but would you talk about the need for these kinds of things in the city that you will shortly govern?

Mr. MASIELLO. Absolutely. I would like to.

First of all, let me just say that in my experiences so far as a State legislator and then going through this campaign for the last year and in talking to district attorneys, police officers, community-based people, business people, throughout the gamut of our city, government, city government especially, can't solve this crime problem itself, and it can't solve the crime problem on the backs of the taxpayer—local taxpayer, property taxpayer.

When you talk about hiring police officers and paying police officers, when you are talking about apprehension, when you talk about the judicial system, when you talk about incarceration, that is an awesome cost that keeps going up, and the brunt of that cannot be afforded by the taxpayers who pay property taxes in this city, and not only this city but cities in and municipalities throughout the country. We desperately need Federal help if we are going to be able to improve our ability to protect people. Throughout that ladder, whether it is enforcement, apprehension, the judicial system, and incarceration, we need help in providing that kind of service.

Police on the street is very, very important. I think there is a sense of hopelessness and despair. People feel as though the police aren't visible, but they also feel as though they are not available to help protect them. There is that sense not only in neighborhoods but in business districts that people have been forgotten, that the police department does not respond, and oftentimes if you look at

what we are doing with our police department, you will find that there are so many calls for service now that it is very, very difficult for them to respond as professionally as we would like them to do or as they would like to do, and that is that kind of frustration that we are getting because, you know, there are just not enough police officers in our city departments to respond to that kind of magnitude of police calls. I think we have to do a better job in prioritizing those kinds of calls and responding to the problems that we have in our neighborhoods.

But I think, No. 1, we have to get more police on the street because that is what the public is demanding. We also have to do a better job in how we put police on the street, too. I mean we have to change the way with do policing. That is why I think community policing is very, very important. We have to set up that network between the police department and community vis-a-vis your business leaders, your clergy, your community leaders, your youth leaders. Everyone needs to be networking and on the same page for us to begin to identify the problems that we have in our neighborhoods.

I think, obviously, the gun situation has to be brought under control. I am frustrated, and I am sure you are too. Gun control is must. Doing away with assault weapons is a must. But day in and day out, people are just appalled at the number of firearms there are in our cities, in our neighborhoods, and in our schools. It has caused us to lose constituencies to the suburbs who keep moving away from the city because they are afraid to send their kids to Buffalo schools, they are afraid to live in the neighborhoods because of what is happening with criminals who possess those kinds of firearms firearms; and yes, while we need to deal with the assault weapon issue, we also have to do something about handguns because that is what is killing a lot of our young people in our communities.

The issue that you mentioned too, Chuck—and I am just tapping my memory here for a second—just recently I attended a community meeting in a middle-class neighborhood of Buffalo where people were just very frustrated by the harassment, by the burglaries, by the car thefts, et cetera, and they did mention that they are not happy with the fact that, No. 1, minors are getting off with just a slap on the wrist.

As a matter of fact, in talking to district attorneys throughout this State of ours, many have told me that one of the problems we are experience experiencing today is many young kids at 14, 15, 16, is getting away with very small, minor crimes, and then by the time they are 21, 22, they are in Attica. Maybe they have killed somebody or hurt somebody or whatever the case may be.

So we need to address that issue, I think, in the sense that we have to find a way to deal with minor offenses so that young people begin to realize that it is wrong and it is going to lead to them being incarcerated for a long time.

There is no one cure for the many ills of crime, and I have been saying that everywhere. Not only do we have to deal with the law enforcement problem vis-a-vis making our police more visible, certainly better trained, better educated, and better equipped, but we also need to deal with the social problems of today. Our young peo-

ple need something to do. There is a big vacuum today in the breakdown of the family, the nuclear family, as we know it. So we need to replace that and fill that vacuum.

We need to, I think, utilize our schools much better than we do. They should be the focal point of our communities, and I have been told time in and time out, "Well, we can't afford lighted school-house programs." We have two or three open in the city, four or five, but we need to keep those schools open in the evening hours for recreation, social, tutorial, educational types of programs because they will help keep kids off the streets but also fill the void that they are not getting at home in the sense of guidance and love and education outside the classroom, the structured classroom; it needs to take place in those facilities. So we need to do a better job in providing social alternatives for our young people.

I think we need to begin to talk to our young people, especially our students in education, about what kinds of jobs are available and begin to train them for the jobs that are available in the marketplace. Too often young people are leaving school 17 and 18 years old having no ideas at all as to what jobs are available in the marketplace and what the skills are that are needed to fill those jobs.

Fifty percent of our high school graduates go to college. Of that 50 percent, 50 percent of them drop out of school. So there are an awful lot of young people in our society today that don't have college educations, aren't going to be equipped and trained for the jobs in the service sector that are there today.

So we have to do a better job in our schools in training and preparing the kids for the jobs of tomorrow so that they are ready to move into those kinds of jobs instead of getting into the crime patterns that they are now.

And obviously drug treatment is very, very important also. I am glad you highlighted that. We need to provide drug treatment for our young people, especially those who are incarcerated. But that begins with a whole system of education and prevention from the very early age.

Here again, I think we have our priorities out of whack, and it has to begin in school. At an early age, we have to teach kids, I think, what drugs are all about and what it is going to lead to physically and legally. I think we need to also to talk to them at a very early age about what guns mean to them and to their lives.

But I think education is very important, social activities are very important but in and of themselves aren't enough, we have to tie that in with police presence in our neighborhoods.

Mr. SCHUMER. Well, you have given us a big job to do, and we are going to try to do something.

Mr. MASIELLO. Well, it is not just your job, it is our job too. It is my job, it is the commissioner's job, it is the leaders of our community-based organizations, and also the clergy. Everybody needs to be pitching in and networking to deal with this problem.

Mr. SCHUMER. One thing I didn't mention but I think it is worth mentioning, and I know you have a busy schedule—one of the things we are trying to do in this Federal bill is set up a system of boot camps. Many of the small businesses are afflicted by people who commit first time property crimes, and, as you say, because

the system is so overloaded with violent criminals, these kids—or sometimes they are a little older—are given a slap on the wrist.

What we would like to do is set up a boot camp system. First time property crime, maybe you don't go to Attica, but you go out and you go into a boot camp, which not only is punishment but it is also positive punishment in the sense that it can bring you back. I think that fits into the themes you are talking about—education and training, as well as punishment. It is an important part of the package that John and David and I are trying to get done.

Mr. MASIELLO. That is a very good point, and let me also give you another suggestion, if I may. I don't know if I am belaboring this or taking all the time of your hearing, but I am warming up here.

Four years ago at the age of 42—maybe I was 40, I don't remember—I toured a prison for the first time, and it happened to be Attica, and let me tell you something, I will never forget that. Perhaps our young children who begin to have minor offenses, maybe that is the first thing we do with them, we give them a tour of Attica or some of the other prisons, maybe minimum or those types of prisons—minimum security and whatnot—so that they get to see what is in store for them as they continue this path of crime.

I will tell you one thing, it really created an impression in my mind that I will never forget, and I think perhaps we should show that visually to young people, that this is what is in store for them.

The boot camp is a good idea, and I would like to pursue that, but I still think perhaps if you add to that, that would help.

Mr. SCHUMER. That is a good idea.

Thank you, Mr. Chairman.

Mr. LAFALCE. Congressman Mann, did you have any questions?

Mr. MANN. Mr. Mayor, I couldn't help thinking as you were talking about your ideas for addressing today's problems and your description of the problem that if you were in Cincinnati saying exactly the same thing, nobody would bat an eye, they would be nodding their head, yes, that is exactly the set of problems that we have. So even though we are a large country, I think you will find in any urban community a tremendous similarity in what we face.

I was curious to know, how many officers do you have in the police department at Buffalo? And what benefit will you get from the crime bills in terms of the funding for additional officers? The House version is 50,000 additional officers for entire country; the Senate version is 100,000. Have you figured out what that would mean to Buffalo in terms of numbers and in terms of how you would provide the matching funds that are required and in terms of what you will do at the end of the three or five years when the Federal funding runs out?

Mr. MASIELLO. We have about 958 sworn officers and—

Mr. DONOVAN. About 120 civilians.

Mr. MASIELLO. Yes. Commissioner Donovan will have to answer the latter part of your question.

Mr. MANN. OK.

Mr. MASIELLO. But let me just say, Congressman, I just returned from a seminar in Cambridge with all the newly elected mayors, and every mayor has the same problems, whether it is Buffalo,

Cincinnati, Pittsburgh, Baltimore, whatever the case may be, and I met your new mayor, by the way.

Mr. MANN. Yes.

Mr. MASIELLO. We are all facing the same problems.

You know, the neighborhoods are so important for our survival, but the neighborhood business districts need—those small business people face awesome costs of doing business, and, on top of that, if they have to hire security and/or people don't feel safe in patronizing those businesses, they are going to go out of business too, and there is nothing more on an eyesore and that will lead to a quicker exodus out of the cities than our businesses leaving the cities, creating that kind of blight.

If you go down many of our main thoroughfares in and out of this city, that has happened over the last 20 years, and it has caused havoc in the neighborhoods. So we have to strengthen our neighborhood businesses, the small businesses, and one way we can do that is in creating the atmosphere where patrons feel safe in visiting and shopping in those neighborhoods.

Mr. MANN. You talked about the handgun problem, and Mr. Schumer, as you may know, is in the process of drafting legislation that would require licensing of the ownership of handguns nationwide. My understanding is that that is a requirement that already exists in the State of New York.

Mr. MASIELLO. Yes, we have a good licensing law.

Mr. MANN. OK. One of the arguments that people are going to make is, why will licensing do anything good for our society if the States that already a licensing requirement also have a handgun problem? And you identified that as a problem.

I guess my question is, is the fact that most States don't have a licensing rule and that there is such easy traffic in handguns elsewhere a factor that limits the effectiveness of the licensing rules in New York State or not?

Mr. MASIELLO. I think, here again, Commissioner Donovan is much more expert than I am, but let me just say, there are States in this country—Virginia, and I think they are tightening things up there, and Florida and whatnot—a lot of guns are coming in from those States.

Also, a lot of guns are being stolen from legitimate people who have licenses and whatnot, and these guns are stolen from them.

Perhaps we are going to have to tax the manufacturers and those who buy guns and ammunition. I have read that, and perhaps that is a route to take. But we are going to have to do something in gaining control of this issue.

Licensing, in and of itself, is not just the answer. I think you would have to have something uniform throughout the country, and we would also have to look at the manufacturers and the suppliers.

Mr. MANN. Thank you, Mr. Mayor. Good luck in your new job.

Mr. MASIELLO. Thank you.

Mr. LaFALCE. Thank you very much, Mayor-elect Masiello.

Mr. MASIELLO. Let me just add in closing, and here again I rushed in here and now I have got to rush out, so my thoughts aren't all that clear. I am wearing so many different hats today in so many different meetings; I have had several already.

I don't think there is anything wrong with going back to the basics, quite frankly, of police work. That is the community policing, that is the police person on the beat, especially in our neighborhood business districts. But it doesn't always have to be a police officer walking the beat. I think in some situations we need to put a police officer on motor scooters or in golf carts or on horseback where that is warranted.

I mean here again, let's be creative, but let's go back to the basics of neighborhood policing, and I really think that that will make people feel more confident and secure in their neighborhoods, and I think when we respond to crimes, I think our police officers—I don't mean here in the city of Buffalo, but I think throughout the country—need to be more responsive to the people. Many people feel as though the police department is not responsive. Even when they show up, they are not as professional as they should be.

My own personal experience is over a 12-year period living in the city of Buffalo. My home was burglarized twice, my car was stolen three times, my daughter's car was stolen, my brother's car was stolen, my daughter was accosted along with her girlfriend, the girlfriend thrown to the pavement, and her purse stolen. I was accosted twice myself in a neighborhood business district. All those crimes but two were reported to the police department. Not one followup call, not one: We have a suspect; we don't have a suspect; et cetera.

Yes, they found the cars; yes, we got the cars back; but there was no followup and followthrough, and I really think that is an important part of policing that has not taken place. And here again, I am not pointing my finger at anybody or anything, but we have to do a better job at how the police department relates to the public. They will feel better about that.

Mr. LAFALCE. Thank you.

Mayor-elect Masiello, thank you very much for that excellent testimony and your responsiveness to the questions. I know you have a busy timetable. We would love it if you could stick around.

Mr. MASIELLO. I will stay a little while.

Mr. LAFALCE. Terrific. I know the entire panel would love to have you hear their testimony.

Mr. MASIELLO. I may interrupt a little more, too.

Mr. LAFALCE. Whatever you think best. [Laughter.]

We are next going to call on the commissioner of police for the city of Buffalo, Richard Donovan.

I must say that in all my experiences with Commissioner Donovan, he has been totally cooperative and responsive, and I have been very, very grateful for the cooperation that he and his office have shown to my congressional office, and I look forward to a continuation of that cooperation, Commissioner.

Please.

STATEMENT OF RICHARD DONOVAN, COMMISSIONER OF POLICE, CITY OF BUFFALO, NY

Mr. DONOVAN. Thank you, Congressman LaFalce, Congressman Schumer, Congressman Mann.

The city of Buffalo is a poor city by any definition. The late seventies and early eighties saw major industrial giants fold and leave

the area—Bethlehem Steel, Republic Steel—businesses like this, they folded up and left, so we became more dependent on small businesses in the city.

The statistics are real bad in the city of Buffalo. The percentage of households receiving public assistance is approximately 18.5 percent, which is the sixth highest among the 100 largest U.S. cities. In 1990, the median household income of \$18,482 was higher than that of only 3 of the 100 largest cities in the United States.

The percentage of families below the poverty level has nearly doubled since 1970. The percentage of families below the poverty level in Buffalo is at 21.7 percent, which is the eighth highest of the 100 largest cities. Topping all of this off is Buffalo's unemployment rate of 11.2 percent, which is one of the worse in the Nation, and this doesn't even include the people who have stopped working in some of our neighborhoods.

Buffalo has also been faced with a rapidly declining population. Between 1950 and 1990, we lost 252,000 people, or 43 percent of our population. In comparison to the 100 largest U.S. cities, only 4 cities experienced larger declines, while almost 75 percent of the largest cities had population increases. Much of this loss was to our suburbs, which is reflected in the doubling of the rest of Erie County.

Buffalo's economy is also a significant factor contributing to the high escalation of crime. The high unemployment rate and the limited job market act as catalysts for a number of socioeconomic problems. The poor neighborhoods in metro Buffalo that have the highest crime rates are breeding grounds not only for adults that turn to crime but for juveniles as well.

In an article put out by the Office of Juvenile Justice and Delinquency Prevention in their spring/summer 1993 issue, several factors were discussed that distinguished a delinquent youth from those who obey the law. Some of those issues discussed, as the mayor-elect said, are the fact that the youth from these neighborhoods have less parental supervision, they have very little commitment to school, and many of their peers are delinquent and not attending school.

How this affects the business community is very, very evident. Between 1988 and 1992, according to FBI statistics, property crime increased 26.3 percent in the city of Buffalo. Violent crime increased by an alarming 49 percent during the same period. This obviously has a devastating effect on businesses and whether they continue to operate in the city.

Just 2 weeks ago, I went to a community meeting which was addressing crime in a transitional neighborhood, and in attendance at the meeting was the owner of a company which employed 80 people. The meeting was unusual because there were about 20 kids that came to this meeting because they knew some of the adults were going to come and complain about the kids that were hanging on the corners, so the kids actually showed up at this meeting, which was very, very unusual. It was one of the best meetings I went to.

But this owner had invested a lot of money, a lot of commitment, into this business, and he brought out to the people at the meeting that he had offers to go to South Carolina, that he could go to the

suburbs, and when we were there we asked the question of some of the kids in the audience: "Do you know anybody?" And about five or six of the kids raised their hands, "Well, I've got a parent that worked at this business," you know, "I have got a friend that worked there."

The owner of the business started talking about some of the problems that he was having. He related how his employees' cars were broken into, how they were stolen right from the property, from the business, that the people were being harassed on they way to work, on their way home from work.

Topping all of this off, the owner of this business who cared a lot had invited some of the neighborhood kids on a tour of his business just a couple of weeks before this. So he took some kids on a tour, to show them his business, to try and work with the kids in the community. He had some refreshments for them afterwards. About a week after the tour, we caught two kids burglarizing that same business where he had opened it up.

So this kind of shows some of the problems that the businesses are having.

This owner was dedicated to staying in the city. So this meeting itself worked out pretty good, because some of the kids said they would serve on a committee with some of the adults to address the problems in this area. We assigned an officer to work with the owner of the business and the people that were doing this, and I said it was unusual because some kids were involved in this.

But this owner just shows what is happening in the cities. People are leaving, the businesses are leaving the cities, because of the crime problem, and they are going to the suburbs and they are going to other cities.

The problems with crime exist in the suburbs just as they do in the city. The perception of crime is sometimes different of what is going on in the suburbs and what is going on in the cities. We have met with several businesses who told me—you know, they have hotel owners who have hotels in the suburbs have had less crime in their city locations than they have in their suburban locations, but that doesn't come out very much.

But the thefts, the vandalism, the shoplifting, and the things like this that happened to this particular business would drive this business out of the area.

The reason I am bringing this all out is, the people flee and the job opportunities go, and crime is increasing, and the people within the neighborhoods are driving out their own businesses with the crime, and we need to do some things.

There are numerous recommendations I can propose here, and I am going to limit it to just a few. I think, one really very important thing is, I support the President's crime bill wholeheartedly. The big thing about the President's crime bill, as Congressman Mann had brought out earlier, the big thing with this hiring supplement is—and as the mayor-elect had pointed out—we entered 360 calls for service with about 900 officers.

The big thing about the hiring supplement in the first phase of it is that we could get 27 additional officers to do just community policing work, to put them on the beat working with the business community, setting up a relationship and a partnership between

the business community, the citizens in general, and the police to work on these kinds of problems and to try and solve a problem like this business that had 80 employees had, to keep them in the city of Buffalo; but we need the additional officers.

The most important thing about the crime bill is that it allows us to hire additional officers or laid off police officers and not take money in and shift some people into other duties with that money and set up a program. We have to dedicate them to community policing.

I talked to Rick Reinhard, and I have worked very closely with Rick. One of the things we could do with programs like this is take five or six officers and put them in a community policing program in downtown Buffalo to work with just the businesses. First is just getting away from just answering the calls. Obviously, the people want their calls answered, and that is where any police chief in the city has a problem, in answering the calls and providing a community policing program. When you are an answering 360,000 calls—and a lot of them have to do with burglaries and robberies and shootings and stabbings, you know, you have to get the police there, and the people want the police there in a quick and efficient manner.

But in order to do more with the community policing, we have to have this extra help. So that is why I wholeheartedly support it. We have applied for 27 additional officers, and I know that there is more money down the line for the crime bill.

The other thing that was brought out is the fight for handgun control. In the city of Buffalo in 1992, firearms were used in 40 of our homicides. So far in 1993, it has been used in 41 of our homicides, and I am saying firearms by rifles, handguns, and things such as that.

Put this in addition to the many armed robberies and the shootings that we are having that weren't fatal, and we have got a serious problem in the city of Buffalo for businesses and for everybody, and the quality of life in the cities is seriously affected.

As Congressman Mann had pointed out, one of the things that I am very strong on and that I know Congressman Schumer has proposed is a central registry, because you can go to States like Florida, Virginia, and some other States that are within maybe a couple of hours driving distance—Ohio—and go down there, and with the driver's license—and these criminals are sophisticated enough that they can get forged drivers' licenses. They can buy five or six handguns in Ohio, bring them back up here to the city of Buffalo, and sell them on the streets for double what they paid for them in a store. These kids are making a lot of money from crack cocaine and from the drug dealing, so they can do these type of situations, and it is seriously affecting us. So I think the serious approach to handgun control is very, very important.

The other thing is, you know, kind of out of my line, but I am just going to throw it out, that we have to have incentives for businesses to stay in the cities. The statistics are there: 252,000 people have left the city since 1950. They are fleeing the cities to the suburbs, and we are being forgotten, and the police services that we provide not only affect the citizens of the city of Buffalo but the whole area, and it goes way far—the bounds are a lot larger than

just inside the city of Buffalo, and we need that help, and we ask for it very, very strongly. It will come back to the businesses in terms of community policing, to the citizens in terms of community policing, and we will use those resources properly, but I think we made great progress with that, and I just have to compliment everybody that has worked for that.

Thank you very much.

[The prepared statement of Mr. Donovan follows:]

BACKGROUND-

The City of Buffalo is a poor city by any definition. The late 1970's and early 1980's saw major industrial giants fold and corporate headquarters leave the Buffalo area. Businesses such as Bethlehem and Republic Steel literally shut down leaving thousands out of jobs. The percentage of households receiving public assistance is approx. 18.5% (which is the 6th highest among the 100 largest U.S. cities). In 1990, the median household income of \$18,482 was higher than that of only three (3) of the 100 largest cities in the U.S. The percentage of families below the poverty level has nearly doubled since 1970. The percentage of families below the poverty level is unusually high at 21.7% which is the 8th highest of the 100 largest cities. Topping off this is Buffalo's unemployment rate of 11.2% (see attached chart) which is one of the worst in the nation. This of course doesn't include those who have given up looking for work.

Buffalo has also been faced with a rapidly declining population. Between 1950 and 1990, Buffalo lost 252,000 or 43% of its population. In comparison to the 100 largest U.S. cities, only four (4) cities experienced larger declines, while almost 75% of the largest cities had population increases. Much of this loss was to the suburbs, which is reflected in the doubling of the rest of Erie County's population. (see attached

Buffalo's economy is a significant factor contributing to the high escalation of crime. The high unemployment rate and the limited job market act as catalysts for a number of socioeconomic problems. The poorer neighborhoods in metro Buffalo that have the highest crime rates are breeding grounds for not only adults that turn to crime but for juveniles as well. In an article put out by the Office of Juvenile Justice and Delinquency Prevention in their Spring/Summer 1993 issue, several factors were discussed that distinguishes a delinquent youth from those who obey the law. Among some of the issues discussed, was the fact that youth from these neighborhoods have less parental supervision. Many of these youths have very little commitment to school and many of their peers are likely to be delinquent, thus leading to gang memberships.

THE PROBLEM-

How this affects the business community is very evident. Between 1968 and 1992, according to the F.B.I. , property crime increased 26.3% in the City of Buffalo, and violent crime increased by an alarming 49 % during this same period. This will certainly have a devastating effect on businesses and on whether they continue to operate in the city. Just two weeks ago I attended a community meeting which was addressing crime and in attendance at the meeting was the owner of a company which employed 80 people and is located in a transitional neighborhood. This meeting was unusual in the fact that approximately 20 young people from the neighborhood were in attendance at the meeting. The owner of the company was explaining how crime has affected his business. He related how employee's cars were stolen while they were working, cars had been broken into and things were stolen from their vehicles and that the employees had been harassed both coming and going to work. His company vehicles had been vandalized and stolen and there was considerable damage to his property. To top all this off he had arranged a tour of the business by young people in the neighborhood and had refreshments for them after the tour. A few weeks after the tour several of the youths that were on the tour were caught breaking into the business. At the meeting it was brought out that some of the young people at the meeting had friends or relatives that worked at this business. The owner also had several offers to relocate to South Carolina but he was dedicated to stay in the city and refused to move. The outcome of this particular situation was favorable in that several of the young people volunteered to serve on a committee with the adults to try and improve this. The problem is when owners give up and leave the city that opportunities within their own communities are taken away and the problem only becomes worse.

The problems with crime exist in the suburbs as they do in the city but the opportunities for jobs are different. When the citizens do not feel safe to shop in local businesses, thefts and vandalism are high and the quality of life is affected it has a devastating effect on businesses. When they relocate to suburban areas our problems with crime become greater

RECOMMENDATIONS-

There are numerous recommendations that I can suggest but I will limit it to just a few. These can and will have a positive effect on this problem.

1- Support for the Presidents Crime Bill. The additional officers that would be available for community policing and can work with local businesses can positively impact on these problems. We must

form a partnership with the business community, the citizens and the police to solve problems faced by businesses and their employees. Our department will continue to aggressively seek out and arrest violators of the law and to contain crime as best we can. Rigid enforcement of existing laws along with expansion of community policing where the officers are working with the public and highly visible are imperative.

2- We must aggressively continue to fight for handgun control. Firearms were used in 40 of our homicides in 1992 and so far this year account for 41 of our homicides. This is in addition to the many armed robberies and shootings that were not fatal. New York State has strict handgun control but this is not the case on a national level. When someone can purchase handguns with only a drivers license in some states and then bring them here to be sold on the streets is not acceptable.

3- We must continue to offer incentives for businesses to stay or locate inside our cities. We have made some progress in this area but much more needs to be done. Opportunities for our young people to obtain jobs of all types is of utmost importance in our fight against crime and the effects it has on our businesses.

While these are certainly not the only things needed to make the City of Buffalo safe for businesses and their customers and employees, I feel that these are positive recommendations that can be accomplished. This affects the quality of life in our cities and we need to address this issue. I thank you for the opportunity to testify and hope that my comments and recommendations have been helpful.

5-YEAR COMPARISON OF F.B.I. PART I CRIMES

	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Murder	47	43	36	51	80
% Increase/Decrease		- 8.5	-23.4	+ 8.5	+70.2
Rape	290	268	355	319	346
% Increase/Decrease		- 7.6	+22.4	-10.0	+19.3
Robbery	1,769	1,829	2,172	2,705	2,997
% Increase/Decrease		+ 3.4	+22.8	+52.9	+69.4
Assault	2,155	2,345	2,711	2,968	2,947
% Increase/Decrease		+ 8.8	+25.8	+37.7	+16.8
SUB-TOTAL VIOLENT	4,261	4,483	5,274	5,043	6,370
% INCREASE/DECREASE		+ 5.2	+23.8	+41.8	+49.5
Burglary	7,389	7,323	8,163	8,462	8,210
% Increase/Decrease		- .9	+10.5	+14.5	+11.2
Larceny	10,976	11,797	12,203	12,527	13,085
% Increase/Decrease		+ 7.5	+11.2	+14.1	+19.2
U.U.V.	3,020	3,206	3,539	4,439	5,485
% Increase/Decrease		+ 6.2	+17.2	+47.0	+31.6
SUB-TOTAL PROPERTY	21,385	22,326	23,905	25,428	26,780
% INCREASE/DECREASE		+ 4.4	+11.6	+18.9	+25.2
<hr/>					
TOTAL	25,446	26,811	29,179	31,471	33,150
% INCREASE/DECREASE		+ 4.3	+13.8	+22.7	+29.3

Note: The % Increase/Decrease represents the percent of increase or decrease over the base year which is 1988.

CENSUS DATA FOR:

BUFFALO, NEW YORK.

PUBLIC LAW 94 - 171 REDISTRICTING DATA

 * The 1990 population counts set forth herein are subject *
 * to possible correction for undercount or overcount. The *
 * United States Department of Commerce is considering *
 * whether to correct these counts and will publish *
 * corrected counts, if any, not later than July 15, 1991. *

	1980	1990
PERSONS		
Total.....	357,870	328,123
RACE		
White.....	252,365	212,449
Black.....	95,116	100,579
American Indian, Eskimo, or Aleut.....	2,383	2,547
Asian or Pacific Islander.....	1,322	3,261
Other race.....	6,684	9,287
HISPANIC ORIGIN.....	9,499	16,129

UNEMPLOYMENT RATE FOR CITY OF BUFFALO

1988 - 6.8%

1989 - 8.0%

1990 - 7.8%

1991 - 10.6%

1992 - 11.1%

1993 - 11.2%*

* AS OF AUGUST 1993

SOURCE: NEW YORK STATE DEPARTMENT OF LABOR
RESEARCH AND STATISTICS

Mr. LaFALCE. Thank you very much, Commissioner. We will withhold our questioning until we hear from the rest of the first panel.

Our next witness will be Mr. Rick Reinhard, the executive director of Buffalo Place. Buffalo Place is on downtown Main Street; it is in the heart of the business community of the city of Buffalo. It is an area that, in my judgment, deserves a tremendous amount of additional attention. There are many other neighborhoods in Buffalo that are important, such as the waterfront, but nothing is more important than the heart of the city, and the downtown business district is the heart of the city. That is where we should be giving our primary focus, our primary attention.

Mr. Reinhard.

**STATEMENT OF RICHARD T. REINHARD, EXECUTIVE
DIRECTOR, BUFFALO PLACE, BUFFALO, NY**

Mr. REINHARD. Thank you, Representative LaFalce, and welcome all of you, to downtown Buffalo.

Many thanks to you, Representative Schumer, for convening this hearing; to you, Representative Mann, and of course to you, Representative LaFalce, not only for this chance to appear but also for being a tireless advocate for both downtown Buffalo and for small business.

I am executive director of Buffalo Place, Inc., a not-for-profit corporation that manages a 24-block business improvement district serving hundreds of businesses in downtown Buffalo. Our equivalents in your home town, Representative Schumer, would be like the Grand Central Partnership or the Times Square Business Improvement District. In your area, Representative Mann, the Downtown Council of Cincinnati.

Crime and the perception of crime certainly have had a negative impact on downtown Buffalo. Over the past decade, Buffalo, with an enormous amount of help from the Federal Government, has built a light rail rapid transit system, a pedestrian mall, a baseball stadium, a Fountain Plaza corporate banking complex, and many, many more projects. While these efforts to renew our city have met with a degree of success, they don't measure up if people are afraid to come to downtown Buffalo.

Downtown does not have an enormously high crime rate, and Commissioner Donovan can attest to that. Nevertheless, a few incidents of violent crime, more cases of crime against property, and many cases of aggressive panhandling, and the fear of all these are keeping businesses, workers, and shoppers away from our area.

When in 1992 we surveyed our constituents, the vast majority of whom are small business owners and managers, about the most significant threat facing downtown Buffalo over the next 5 years, they overwhelmingly had one answer: Crime.

The fact is that we can build wonderful athletic facilities, revitalize our waterfront, enrich our theater district, and create small business incubators, but if people continue to be afraid, whatever their reasons, of coming downtown, our efforts will fail.

In 1991, the International Association of Chiefs of Police intently studied Buffalo's policing and made several excellent recommendations. A keystone to the report was community policing. What does

community policing mean to a downtown area? It means police walking on Main Street or riding bicycles or golf carts; it means staying in regular contact with security directors in private buildings, with small business people, with merchants; it means getting to know trouble spots and trouble makers been the trouble even begins.

According to the International Downtown Association, an organization in Washington upon whose board I serve, the state-of-the-art downtown community policing model is in downtown Philadelphia, where the Philadelphia Police Department and our counterpart, Center City District of Philadelphia, have successfully operated a joint public/private funded security effort out of a storefront police barracks, and it works.

Our organization, also a public/private partnership which is funded through special assessments, has convened a task force of private and public sector security professionals to work on the challenges of policing downtown Buffalo. So far, we have implemented a computerized security fax network; we have convened security training sessions with private sector employees in cooperation with Commissioner Donovan and the Buffalo Police Department; we have purchased bicycles and equipment for the Buffalo Police Department which Commissioner Donovan plans on being used beginning in the spring; thanks to your new crime bill, we might be able to get it implemented as fast as possible; and we have grant applications in to purchase golf cart-like police utility vehicles that can be used in community policing.

We will unveil a campaign in the spring to combat aggressive panhandling, urging downtown workers and shoppers to give money to their favorite charities instead of to panhandlers who are using the money to support drug and alcohol habits.

Our organization's planning team has also worked with private and public sector planners on the design of buildings and public spaces. These places must be designed with security in mind, with good sight lines, good lighting, and excellent security systems.

Of course, safe streets in our neighborhoods and good and safe schools throughout our city are the most important factors in creating a good climate for economic development in any downtown or any neighborhood commercial district. I commend the U.S. Congress and all of you Representatives for concentrating on these issues which are so on the minds of the American public right now.

Thank you for this opportunity to testify, I would be glad to answer questions.

Mr. LAFALCE. Thank you very much, Mr. Reinhard.

We will now go to our next witness, Ms. Michelle Graves, the Allentown crime prevention coordinator.

Allentown is a very strong, vibrant neighborhood within my congressional district. Its primary intersection perhaps is the corner of Elmwood Avenue and Allen Street.

Every single year, Congressman Schumer, one of the biggest events in all of western New York is the annual Allentown Art Festival where we usually get a minimum of 100,000 people per day in attendance. When you are in town next and you have some time, we are going to take you for lunch over to the Allentown neighborhood in Buffalo.

Mr. SCHUMER. Great.

Mr. LAFALCE. Now, Ms. Graves.

STATEMENT OF MICHELLE GRAVES, PARKSIDE COMMUNITY ASSOCIATION, BUFFALO, NY

Ms. GRAVES. Thank you very much for asking me to testify today.

I would like to just state for the record that, unfortunately, the grant in Allentown ran out this summer, and since then I have been working in the Delaware district, and I am here today to talk about a grassroots effort that we started in 1990 called the Safe Shopping Program.

The Delaware district of Buffalo—and I will include Allentown because Allentown has been included in this program—is primarily a residential district with several business strips which contain many chain and discount stores. In the summer of 1990, there were growing concerns centered on increased crime in the parking lots and around the shopping areas. Purse snatches, auto and bicycle thefts, and larcenies were on the rise. More and more residents were either victims or knew of victims.

Several concerned parties decided to hold an open forum for residents to voice their concerns to the store representatives, the police, and the media. Seniors in particular were quite vocal at this meeting, indicating that they were voting with their feet and were now shopping in safer suburban shopping centers. Out of this meeting a committee was formed to address these complaints, particularly for the upcoming holiday season.

The committee drew up a plan that would become a four-part effort and would include the stores, the police, the district council members, and residents. The stores were provided with surveys regarding their existing parking lot security and asked if they had any plans for increasing their security for the holiday shopping season. Police statistics were made available to the store representatives who had previously claimed ignorance of the number of crimes being committed around their establishments. This in part was true as victims often only reported crimes direct directly to the police and did not relay information back to the stores.

Armed with statistics and the knowledge that crimes were being committed on store property during regular business hours, several of the larger establishments made corporate decisions to hire uniformed officers to patrol the parking areas from Thanksgiving to Christmas during the peak hours.

Further, all the stores surveyed agreed to offer escorts to cars for anyone requesting it even if the shopper had not made a purchase. Public service announcements and signage were also used to warn women not to leave their purses unattended in the stores. Press releases and news coverage heightened awareness and also gave excellent promotional coverage to the businesses that were participating in the safe shopping program. During the 1991 holiday season, the Allentown shopping district became involved in this program.

The second component of this program was an intensive public education to enable women, men, and, in particular, seniors to become responsible for their own personal safety. The program offered free safety seminars to any interested group. We addressed

purse safety and awareness while shopping, banking, et cetera. We encouraged residents to report crimes and to cooperate with the police for arrest and conviction of suspects.

We also demonstrated and promoted the use of belly packs as a safe alternative to purses and wallets and stressed their use for men and women. Belly packs offer hand freedom and lessen the temptation of dangling purses or unattended purses. In 1991 and 1992, we were able to secure donations of belly packs from a participating store, a business group, and a civic organization. These were given to seniors attending our safety seminars.

During the 1992 holiday season, we added a third dimension to the program. Holiday safety tip fliers were developed in both English and Spanish and were placed in shopping bags by participating stores. Over 7,000 of these fliers printed on donated paper were distributed on a target Saturday in November 1992, and 8,000 were distributed this December 4.

The fourth aspect of this program was added this year. We developed a purse survey which has been printed on the reverse of our safety fliers. This survey is a tool to help women rethink what they carry in their purses, what it would cost them to replace everything in the event of a purse snatch, and hopefully to discontinue carrying purses altogether. This survey is used in our safety talks.

One particular senior group that we addressed, one lady added up everything: the cost of her purse, the medication she carried, she even had a gold rosary; and she figured it would be \$900 to replace everything, and that is if she didn't end up in the hospital with a broken arm, because a lot of people will fight for their property.

The experiences we have had since 1990 have demonstrated that this program works. Police crime statistics of participating areas have shown a marked decrease or no existing crime where a uniformed officer was hired to patrol. Stores report very positive customer feedback and say it is money well spent. Residents have a perception that it is safe to come back to these stores to shop, thus keeping the area viable. Senior groups that have attended the safety seminars are more confident and less likely to become victims.

We are now facilitating groups in other areas of the city, getting them started with similar programs. The program operates on donation and volunteer efforts. The safe shopping program also sponsors an annual Crime Awareness Day which showcases the latest technology and personal security and is open and free to all. Our hope is that this heightened awareness is not just seasonal but is carried throughout the year.

Thank you.

[The prepared statement of Ms. Graves follows:]

Parkside Community Association
2318 Main Street
Buffalo, New York 14214
(716) 838-1240

Safe Shopping Program Overview

History

The Delaware District of Buffalo is a primarily residential district with several business strips which contain many chain and discount stores. In the summer of 1990, there were growing concerns centered on increased crime in the parking lots and around these shopping areas. Purse snatches, auto and bicycle thefts, and larcenies were on the rise. More and more residents were either victims or knew of victims. Several concerned parties decided to hold an open forum for residents to voice their concerns to store representatives, the police and the media. Seniors in particular were quite vocal at this meeting, indicating that they were "voting with their feet" and were now shopping in the "safer" suburban shopping centers. Out of this meeting a committee was formed to address these complaints for the upcoming holiday season.

The committee drew up a plan that would become a four-part effort and would include the stores, the police, the District Councilmember, and residents. The stores were provided with surveys regarding their existing parking lot security and asked if they had any plans for increasing their security for the holiday shopping season. Police statistics were made available to the store representatives, who had previously claimed ignorance of the number of crimes being committed around their establishments. This was in part true, as victims often only reported crimes directly to the police and did not relay information back to the store. Armed with statistics and the knowledge that crimes were being committed on store property during regular business hours, several of the larger establishments made corporate decisions to hire uniformed officers to patrol parking areas from Thanksgiving to Christmas during peak hours. Further, all of the stores surveyed agreed to offer "escorts" to cars for anyone requesting it, even if the shopper had not made a purchase. Public service announcements and signage were also used to warn women not to leave their purses unattended in stores. Press releases and news coverage heightened awareness and also gave excellent promotional coverage to the businesses that were participating in the Safe Shopping Program. During the 1991 holiday season another city shopping district, Allentown, became involved in this program.

The second component of this program was an intensive public education to enable women, men and in particular seniors to become responsible for their own personal safety. The program offered free safety seminars to any interested group. We addressed purse safety and awareness while shopping, banking, walking, etc. We encouraged residents to report crimes, and to cooperate with the police for arrest and conviction of suspects.

We also demonstrated and promoted the use of "belly packs" as a safe alternative to purses and wallets, and stressed their use by both men and women. "Belly packs" offer hand freedom and lessen the temptation of dangling or unattended purses. In 1991 and 1992 we were able to secure donations of "belly packs" from a participating store, a business group and a civic organization. These were given to seniors attending our safety seminars.

Safe Shopping Program Overview, page 2

History, continued

During the 1992 holiday shopping season we added the third dimension to the program. Holiday Safety tip fliers were developed in both English and Spanish and were placed in shopping bags by participating stores. Over 7000 of these fliers (printed on donated paper) were distributed on a targeted Saturday in November, 1992, and over 8000 were distributed on December 4th, 1993.

The fourth aspect of this program was added in 1993. We developed a purse survey, which has been printed on the reverse of our safety fliers. This survey is a tool to help women "rethink" what they carry in their purses, what it would cost them to replace everything in the event of a purse snatch, and hopefully to discontinue carrying purses altogether. This survey is also used in our safety talks.

Results

The experiences we have had since 1990 have demonstrated that this program works. Police crime statistics of participating areas have shown a marked decrease or no existing crime where a uniformed officer was hired to patrol. Stores report very positive customer feedback and say it's "money well spent".

Residents have a perception that it is "safe" to come back to these stores to shop, thus keeping the area viable. Senior groups that have attended the safety seminars are more confident and less likely to become victims.

We are now facilitating groups in other areas of the city, getting them started with similar programs. The program operates on donations and volunteer efforts. The Safe Shopping Program also sponsors an annual Crime Awareness Day which showcases the latest technology in home and personal security and is open and free to all.

Our hope is that this heightened awareness is not just seasonal, but carried throughout the year.

Holiday Safety Tips

• If you must carry a purse, hold it close to your body. Do not leave your wallet or purse on a store counter or in a shopping cart. It is strongly suggested that you use a "belly pack", worn on the waist and zippered in front, while shopping.

• Never allow purses to dangle from arm. Wear them shoulder to shoulder. Wallets should be secreted in front or vest pockets.

• Avoid carrying large sums of money. Use checks where possible. Never display large amounts of cash. Only carry what you absolutely need in your purse or wallet.

• Many criminals know when government checks arrive each month and may pick that day to attack. Consider Direct Deposit for pension and social security checks. Try to alter your banking habits and change dates and times that you do your banking.

• When using Automatic Teller Machines (ATMs) be aware of persons standing too close to you or appearing to be watching your transaction. Put your money away at once and

always take your receipt and card. Make sure you are not being followed. If you feel that someone is following you return to the store or bank at once, and request assistance.

• Banks provide security PIN numbers for each ATM card. Your PIN number is

selected by you and should not be given to anyone else or written down. It should be easy for you to remember, but difficult for anyone else to guess.

• Be very wary of talkative strangers, especially if the talk turns to money. Be familiar with con games. Don't allow a stranger to get too close to you or "jostle" you in an attempt to pick your purse, wallet or pocket. Criminals often work in pairs and while one is engaging you in conversation, the other could be in your purse, particularly if your purse is left unattended in a shopping cart.

• Travel with friends when you go shopping or ask for an escort to your car when you leave the store.

• Park in well-lighted and well traveled areas. Lock doors. When returning to your car, have your keys in hand. Drive with your purse out of view.

• Make it your business to report any suspicious behavior to the store manager at once, be it inside or outside of the store.

• Don't over-burden yourself with packages and groceries, making it difficult to see and react. Don't be afraid to ask the store for carry-out assistance.

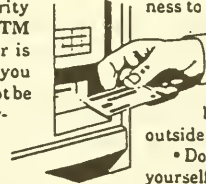
• Lock packages out of sight in your car. Never leave anything of value in plain sight.

• If you are threatened by physical force, don't resist! Try to remain calm and observe the assailant so that you can give an accurate description to the police.

• Report all crimes to the police at once.

• If the attacker is only after your purse, don't resist. You don't want to escalate a property crime into a violent confrontation.

• Remember if you are not carrying a purse, it can't be stolen!



These tips have been brought to you courtesy of the Safe Shopping Committee of the Allentown Association, North Buffalo and Parkside Community Centers Crime Prevention Program.prepared by Michele Graves, graphics by Richard Gardner

CONSEJOS DURANTE ESTE EPOCA DE COMPRA NAVIDENO

** Si Usted carga una cartera, mantengala cerca de su cuerpo. No deje su porta moneda o cartera sobre la vitrina de la tienda o en el carrito de compras. Sugerimos que usen su "belly pack", colocado en la cintura y el cierre en frente de Usted mientras estan comprando.

** Nunca menes su cartera cuando cuelga en su brazo o hombro. Carteras siempre deben estar sujetas, enfrente de Usted.

** No cargue mucho dinero con Usted, es mejor que cargen cheques. Solamente cargue la cantidad de dinero que Usted necesite o va a gastar. Los criminales saben las fechas que el gobierno manda cheques por el corrrero. Cuando usen las maquinas bancarias, a fuera del banco, nunca escribe en papel su codigo bancario de la tarjeta o nunca se lo menciones a otra persona. Tenga cuidado con personas extranas que se le acerquen o que pongan conversacion sobre dinero. !Puede ser muy peligroso!

** Cuando vayas de compra, es mejor estar acompañada.

** Pare su carro en lugares visibles y bien alumbradas.
Mantenga su compra en el baul de carro.

** Mantenga sus llaves preparada para abrir la puerta del carro lo mas pronto possible.

** Se le agradece que comuniquen al manager o qualquer persona que trabaja en an la tienda se ve gente sospechosas adentro afuera de la tienda. Si Alguien se encutra en un situacion de robo, por favor, no resiste la persona, puede estar armado. Tambien, es necessario que vea la persona para poder edentificarlo a la policia.

** Les pedimos que por favor notifique las autoridades sobre cualquier cosa sospechosa que Usted vea.

** Acuerdesen si el criminal ve una senora sin cartera no le persiguira para robo.

WEDNESDAY, DECEMBER 1, 1993

TEN BUFFALO ROCKET

Safe Shopping Program

The Safe Shopping Program's Fourth Annual Holiday Program will kick off Thanksgiving week with the following stores adding uniformed parking lot security: Hills and Tops (combined lot at Delaware/Linden), Fays/Paper Cutter (Hertel Avenue) and K-Mart (Hertel Avenue). All of these stores and Jubilee (Great Arrow) will again be offering escorts to cars. Allen Street stores (Allentown) are also exploring the possibility of once again hiring a uniformed officer to patrol the street in front of their establishments.

Buffalo Police crime statistics have shown that a uniformed presence in parking lots deters crime. Stores that participated during the 1993 holiday season experienced zero crime.

Safety fliers will be inserted into the shopping bags on Dec. 4 at all the above stores and also at area Wilson Farms. This year's fliers will include a purse survey for shoppers to fill out at home. These surveys can give shoppers an idea of the total monetary loss in the event of a purse snatch. Hopefully, this will help women re-think the contents of their purse or even the need for a purse. The Safe Shopping program promotes the use of "belly packs" in lieu of purses/wallets.

The program offers free seminars on personal safety to include shopping, banking, home and personal protection devices. For more information, contact committee members Michele Graves at 838-1240 or Valaine Perez at 851-5155.



The Council

CITY OF BUFFALO

ALFRED T. COPPOLA

ELAWARE DISTRICT COUNCILMEMBER

1401 CITY HALL

BUFFALO, N. Y. 14202

851-5155

October 4, 1993

To Whom It May Concern,

The Safe Shopping Committee founded in 1990 has addressed the issues of personal safety while shopping, banking, walking etc. Your involvement during the past holiday seasons has proven statistically that this program works. Therefore, we are asking you to once again participate this holiday season by addressing security in and around your establishment. The result of this effort in the past has brought resident shoppers back to local establishments. We have worked with the local media to advertize the businesses that have enhanced their security during the holiday season.

If you have not participated in the past, we welcome your involvement this year. A meeting has been called for Wednesday, October 27, 1993 at 7:00 p.m.. The meeting will be held at the North Buffalo Community Center, 203 Sanders Road. If you have any questions or concerns, feel free to contact us at either 851-5155 or 838-1240.

Sincerely,

Michelle St. Hilaire
Alanna Perry

The Safe Shopping Committee

encl.

SAFE SHOPPING COMMITTEE OF ALLENTOWN/NORTH BUFFALO/PARKSIDE
STATS FROM HOLIDAY SHOPPING SEASON - 1992

ALLEN ST. BUSINESSES (FROM MAIN TO DELAWARE) HIRED OFF DUTY POLICE OFFICERS FOR FOOT PATROL. OFFICERS WORKED FROM THANKSGIVING TILL CHRISTMAS, MONDAY THROUGH SATURDAY FROM 3:00 P.M. UNTIL 6:00 P.M. REPORTED CRIME STATS FOR THESE DESIGNATED HOURS REFLECT THAT ONLY A CALL OF DRUG ACTIVITY OCCURRED AND THAT WAS INSIDE A RESIDENCE, NOT ON STREET. THERE WERE NO REPORTED PURSE SNATCHES, ROBBERIES OR MUGGINGS DURING THIS TIME FRAME.

NORTH BUFFALO: THE COMBINED PARKING LOT OF HILLS (2232 DELAWARE) AND TOPS (2226 DELAWARE) WAS PATROLLED BY OFF DUTY POLICE OFFICERS ON DECEMBER 10, 11, 12, 17, 18, AND 19 FROM 5:00 P.M. UNTIL 9:00 P.M. STATISTICS SHOW THAT THERE WAS ONE SHOPLIFTING (IN STORE) DURING THIS TIME FRAME. THERE WERE NO REPORTED CRIMES AGAINST PERSONS DURING THE HOURS OFFICERS WERE WORKING.

FOR THE THIRD CONSECUTIVE YEAR THESE ENCOURAGING STATISTICS SHOW THAT THE BUSINESSES THAT ADDRESSED HOLIDAY SECURITY EXPERIENCED LITTLE OR NO CRIME. HAVING A HIGHLY VISIBLE UNIFORMED PRESENCE ON THE STREET OR IN A PARKING LOT IS A DETERRENT TO THE CRIMINAL ELEMENT. FURTHER, SHOPPERS ARE MORE LIKELY TO FREQUENT STORES THAT PROVIDE AMPLE INTERIOR AND EXTERIOR SECURITY, PARTICULARLY DURING HOLIDAY SHOPPING TIME. NEIGHBORS ARE ALSO LIKELY TO SHOP THEIR NEIGHBORHOODS, FEELING AN EXTRA SENSE OF SAFETY.

West Side Times, Feb. 18, 1992

Holiday Season Crime Reviewed At Recent Meeting

by Stephanie Hausle

During the holidays, crime in the Allentown and North Buffalo areas of the city was kept at a minimum due to the efforts of the Safe Shopping Committee. At its recent meeting, held at the Allentown Association, the committee reviewed Buffalo Police crime statistics over the holiday season and presented awards to those who contributed to its goal of crime prevention.

Attending the meeting was Commissioner Ralph Degenhart, Lt. Tim Scioli of Police Community Services, representatives of Common Council Members Carl Perla and Alfred Coppola, and Captains Gerald Calvanaso, Marion Bass and James Degenhart of Precincts 3, 10 and 17 respectively. Many volunteers from neighborhood block clubs attended, as well as Police Liaison Officers Sal Valvo and Joe Terranova, among others.

The statistics revealed that added security outside of businesses led to a considerable decrease in crime. On Allen Street, eight area stores hired off-duty police officers to walk the beat between Thanksgiving and Christmas. Officers patrolled Allen between Elmwood Avenue and Main Street from 3 p.m. to 6 p.m. Monday through Friday and noon to 5 p.m. on Saturdays. Crimes

against persons dropped dramatically during this period and one arrest was made by the foot-patrol officers and on-duty officers for attempted larceny from a car on Allen.

Total Cotton on Allen was honored for organizing the eight businesses in their hiring of the off-duty officers for the visible deterrent to crime. The other stores contributing were: Red Balloons; Allen Street Dress Shop; Neo; Prime Time; Adam's Florist; Roycroft Pottery; and Healthful Diet. Bells supermarket on Elmwood Avenue was honored for its donation of refreshments and of 100 belly packs to be distributed to seniors to use instead of purses and wallets.

Area businesses that helped distribute over 7,000 fliers in English and Spanish to shoppers were also honored. They are: Bells on Elmwood; Tops on Niagara Street; Super Duper on Great Arrow Avenue; Holly Farms and Creative Sundries on Allen and many businesses in the North Buffalo area.

Special thanks were given to Councilmen Perla, Coppola, and Pitts, to the area community centers and precinct captains and to Police Officers Sal Valvo, Joe Terranova and Det. Louis Callari for dedication to the safety of the public.

STORE NAME _____ ADDRESS _____

CONTACT PERSON _____ TELEPHONE# _____

1. Do you have a security person patrolling your parking lot/area outside of your business? _____ Yes _____ No

2. If so, what are the hours and days of week?

3. If not, what are your plans for implementing a surveillance of the area outside your business and will it take effect before the Christmas season? _____

4. Would you be interested in assistance in organizing such a program? _____ Yes _____ No

5. What are your plans for continuing parking lot patrols in 1994? _____

6. Are you interested in placing Safe Shopping Fliers in shopping bags?

If so how many? _____ ENGLISH _____ SPANISH

Could you supply paper for more fliers? _____



Community Close-Up

by Brian Meyer Managing Editor/News WBEN Radio

Safe Shopping Strategies Are Working

Social scientists believe that crime expands according to our willingness to tolerate such acts.

As drugs and other societal scourges fuel alarming increases in everything from violent crime to burglaries, cities like Buffalo are fighting back. In some instances, they are using creative strategies for doing battle with lawbreakers. In a sense, the tactics could be considered a self-help approach to crime prevention.

In North Buffalo, Allentown and other nearby neighborhoods, community leaders have turned to an anti-crime specialist. The goal: to encourage both residents and neighborhood businesses to take some responsibility for their own security.

Michelle Graves has been hired to coordinate an array of crime-busting initiatives. Local leaders claim the results have been impressive.

They point to a "safe shopping blitz" that was launched during the holidays as just one example of this self-help approach to crime prevention. By encouraging North Buffalo businesses to beef-up security in their parking lots and near their stores, advocates say the number of crimes plummeted from an average of 20 per month to seven per month.

The same strategy worked in Allentown, according to Graves.

"We worked with citizens and businesses to heighten awareness. We encourage businesses to add security for the holidays. We found that in a two-block stretch of Allentown, crime virtually ceased from Thanksgiving to Christmas," said Graves.

This crime prevention coordinator is working with the Parkside Community Association and with the Allentown community through funding provided by the Department of Criminal Justice. The grant for North Buffalo expires next month, and neighborhood leaders are turning to the city of Buffalo for financial assistance to continue the program. What's

more, they hope to expand it into West Side neighborhoods that border Allentown.

Graves was joined by Parkside Community Association Director Derek Bateman and Allentown Association leader John Kelly in making a presentation to Mayor Griffin this past Friday.

Bateman said the safe shopping initiative was launched as a direct result of comments Graves received from many citizens in North Buffalo.

"She was hearing from residents, especially senior citizens, that they don't want to shop in the city anymore. They're afraid to go to plazas like the Hills Plaza because they think someone is going to steal their car or their purse," Bateman told the mayor during city budget hearings.

Griffin took issue with the perception that Buffalo business districts are high-crime areas.

"There are probably more crimes in the suburban malls than in any of the shopping areas in the city of Buffalo. But I don't know if people realize that," Griffin said.

The Parkside Community Association is seeking \$15,000 in city aid to continue with the anti-crime programs. Bateman is convinced that even in tough fiscal times, it's an investment that can easily be justified.

"This will let us increase the effectiveness of the investment we already make in the police," Bateman told the mayor and his team of budget experts. "It has been very cost-effective to get residents involved in their own security. And it has certainly been advantageous to the city to get residents feeling comfortable about shopping in the neighborhoods."

A number of strategies have been used to discourage local crime, including:

- The distribution of 7,000 pamphlets which listed anti-crime tips. The flyers were put in shopping bags in a number of area stores.

- Working with the Buffalo

Police Department's division of community services on various programs.

- Working with block clubs to establish neighborhood crime watches.

- Encouraging businesses to enhance security in their immediate environs.

Graves said many merchants have been receptive to the crusade.

"We've even seen stores offering people escorts to their cars. We're talking about people who don't even buy so much as a pack of gum in their stores. We've really seen a spirit of cooperation," Graves said.

Neighborhood leaders are hoping city government comes through with funding to continue the anti-crime crusade.

"We want to continue making our neighborhoods in North Buffalo more dangerous for the criminals who commit burglaries," said Bateman.

The Safe Shopping Committee of Allentown, North Buffalo and Parkside

Brings you

The Third Annual

CRIME AWARENESS DAY

Saturday, April 24, 1993

10 a.m. to 2 p.m.

St. Mark's School Cafeteria, 401 Woodward

FREE ADMISSION
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For More Information Call

Michele Graves
881-1024
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or
Valaine Perez
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SAFE SHOPPING COMMITTEE AWARDS MEETING

Monday, February 10, 1992

7:00 P.M.

**Allentown Association
234 Allen Street**

**Presented by the Safe Shopping Committee
Allentown/North Buffalo/Parkside**

The following businesses are being honored for their contributions to the Safe Shopping efforts during the 1991 holiday shopping season. They contributed time, money and support to help ensure a safe atmosphere for their customers and to promote heightened awareness in their communities.

Bells - Elmwood (Bret Barcellona, Mark Lawrence and Smith Morris)
contributed 100 belly packs to be distributed to seniors for use in lieu of purses and wallets. And for refreshments when ever we needed them.

Hertel North Buffalo Business Association-
Start-up funding to be used in the hiring of additional security for the holidays. Also for continued support of this committee via the efforts of Mr. Don Boyd.

Tops - Delaware (Mark Dudziak, Mgr.)
contributed paper for safety tips fliers
Hired off-duty police officer for parking lot surveillance during peak shopping times. Tops has also been a constant contributor of refreshments.

Hills - Delaware (Mr. Shelton, Mgr.)
Hired off-duty police officers for parking lot security during peak shopping times.

Buffalo Rocket/West Side Times (David Gallagher, Publisher, Stephanie Hausle, reporter)
Continued coverage of all meetings and related issues of the committee.

Total Cotton - Allen St. (Patti Jablonski)
organized eight businesses on Allen St. to hire off-duty police officers from Thanksgiving through Christmas as a visible deterrent to crime.

1631 Hertel Ave. Inc. (former Sample Store)-
Contribution of window space for our displays depicting safe shopping that help to promote the concepts of this committee.

The Safe Shopping Committee would like to extend their thanks to the following businesses for their participation in promoting safe shopping during the holiday season. These businesses were instrumental in distributing over 7000 fliers to shoppers in both English and Spanish during the holiday shopping season.

Participating businesses are as follows:
(fliers)

Bells- Elmwood
Tops - Delaware
Hills- Delaware
Tops- Niagara St.
CVS Drugs - Hertel Ave.
Buffalo Sportswear & Design -Hertel Ave.
Super-Duper- Great Arrow
Sunshine Market - Hertel Ave.
B-Kwik - Hertel Ave.
Fays Drugs - Hertel Ave.
Holly Farms - Allen Street
Creative Sundries - Allen Street

Total Cotton organized these stores:

Total Cotton
Red Balloons
Allen St. Dress Shop
Neo
Prime Time
Adam's Florist
Roycroft Potters
Healthful Diet

Special thanks to Councilman Coppola, Councilman Perla and Councilman Pitts and Don Boyd of the Office Center (Hertel Ave.), North Buffalo CDC for paper donations; BPD Captain Degenhart, Captain Bass and Captain Calveneso for their support and participation, Richard Gardner (Allentown) for laying out the safety flier, Ed Blonski of CPOA for all his help, The Parkside, Allentown and North Buffalo Community Centers without whose support the Safe Shopping Committee would never have gotten started and Theresa Beaton, News Radio WEBR for her continued coverage of our committee.

A very special thanks to following BPD Officers whose dedication to the safety of the public is much appreciated: P.O. Sal Valvo, P.O. Joe Terranova and Det. Louis Callari.

<u>CRIME</u>	<u>STREET NO.</u>	<u>DATE</u>	<u>TOTALS</u>
Robbery	110	7/26/91	1
(armed)	182	6/17/91	1
Robbery	59	10/20/91	1
(Strongarm)	78	12/25/91	1
	182	10/27, 12/8	2
Grand Larceny	21	8/18/91	1
(building)	55	10/18/91	1
	67	8/12/91	1
	182	2/27, 10/7	2
No reported grand larcenies from person or autos for this address span of Allen St. in 1991.			
Petit Larceny	20	6/6/91	1
(bicycles)	32	8/1/91	1
	74	8/5/91	1
	157	7/19/91	1
	186	7/30/91	1
Petit Larceny			
(from auto)	1	6/11/91	1
	78	9/16/91	1
	145	1/20/91	1
UUV	20	7/21/91	1
	73	9/8/91	1
	131	10/26/91	1
	145	2/17/91	1
	186	2/15, 8/7	2
Assault	25	2/4/91	1
	182	7/6/91	1
	186	11/18/91	1
Burglary	43	1/25/91	1
(non-residence)	44	11/24/91	1
	57	6/30/91	1
	73	11/8/91	1
	87	1/31/91	1
	185	10/25/91	1
Burglary	131	5/28/91 PM	1
(residence)	149	8/20/91 AM	1
	152	12/15/91 PM	1

REVIEW

Eight stores on Allen Street implemented a program to hire off-duty police officers for foot patrol. They worked from Thanksgiving till Christmas Monday thru Friday, 3-6 P.M. and 12 - 5 P.M. on Saturday.

Crimes against persons dropped dramatically during this period of time when added security was patrolling. One arrest for attempted larceny from a car was effected during this time period on Allen St. which involved the foot-patrol security and on-duty police officers.

REVIEW

1990 Xmas shopping season showed 8-10 purse snatches, which had dropped considerably from the summer of 1990. Most of the holiday thefts were the direct result of the shopper's negligence.

1991 Tops (Delaware) and Hills (Delaware) hired off-duty police officers for parking lot patrol. This started on 12/12/91 thru the holiday season and was in effect on Thursday, Friday and Saturday evenings from 6 till 9 P.M. There were no purse snatches anywhere on their property, in fact there has only been one reported and that was May 17, 1991. There was one strong-arm robbery on 12/26/91 at 11:46 P.M. and three stolen cars, 12/14, 12/24 and 12/27 which was a Sunday.

It is still very apparent that stores with adequate in-store security experience little in the way of crimes against persons, however parking lots still need attention.

Mr. LAFALCE. Thank you very much, Ms. Graves.

We will now ask the panel just a few questions.

Ms. Graves, I wonder if you could explain how it is that you and your efforts are funded.

Ms. GRAVES. The grant that I had in Allentown was through the DCJS as a crime prevention grant. It is my understanding that those grants are nonexistent right now.

I am currently funded through Council Member Coppola's office for about 20 hours a week to do crime prevention in the Delaware district.

Mr. LAFALCE. I am sorry, I didn't catch that. Would you repeat that, please?

Ms. GRAVES. I am currently funded through Councilman Coppola's office to do crime prevention, and the money is funded through their community-based organization, the Parkside Community Association.

Mr. LAFALCE. You mean money comes through the common council for the city of Buffalo?

Ms. GRAVES. Yes, yes.

Mr. LAFALCE. OK. And you work now and are paid by whom, the Parkside Community Association?

Ms. GRAVES. The money is funneled through the Parkside Community Association. They administer the funds.

Mr. LAFALCE. All right. Thank you.

Now how does the Parkside Community Association extend itself to the Allentown neighborhood? Is there some agreement?

Ms. GRAVES. No. I think there is some confusion. The Allentown grant ran out, and I was doing the same type of program there, a crime prevention program.

Mr. LAFALCE. Through their association.

Ms. GRAVES. Right.

I was also doing some volunteer work at Parkside over the past few years, and previous to the Allentown grant I had a DCJS grant in Parkside. So it has been continuing back and forth.

Mr. LAFALCE. All right. Very good.

How many other neighborhoods in the city of Buffalo, or business districts, have something similar to this?

Ms. GRAVES. Those are the only two areas I am aware of, although we have spoken on the East Side and the Lower West Side about our program and tried to facilitate neighborhood groups to go to their stores and ask for some of the things that we have been able to get in those other areas.

Mr. LAFALCE. But surely this has been proven successful, and so if they could be replicated in other neighborhoods of the city of Buffalo or in other communities wherever, in western New York, the State of New York, and the Nation, it could be extremely beneficial.

Ms. GRAVES. Exactly. Prevention is the whole key.

Mr. LAFALCE. Commissioner Donovan, what is there within the concept of community policing, which is a developing police concept, that might be of assistance to programs such as the one articulated by Ms. Graves and by Mr. Reinhard?

Mr. DONOVAN. The big thing with it is that the officers become problem solvers and they find that they can work with the business community, they can establish plans for what they are going to be

doing, and they bring in other services that are necessary, and enforcement is one of them. They have the presence of the officer who can make an arrest if a arrest is necessary.

If we have to take the aggressive approach to a problem, we will do that. But we find that what they can do is, they can work this partnership, they can open doors. With Michelle, it is talking with the business owners, dedicated patrols at certain times, informing the other officers of the problems that they are having with particular businesses, and just opening up the lines of communication where the officer is working with people versus the thing where the officer gets in, gets that call, responds to the business, and it is pick up a shoplifter and leave. You know, the communication isn't there and you don't build up that working relationship between the business community where Michelle is working and then just leave after you answer that call.

Mr. LAFALCE. This is interesting.

Very often I have seminars for either businessmen or potential businessmen and women, and it seems to me that in the future an essential ingredient in these seminars and an essential ingredient with any business person's plan is going to be how to deal with the potential of crime. That is going to involve the businessman networking with neighborhood associations and with the police department and planning in advance, coming to these neighborhood associations and coming to the police department for expert advice, because the businessman is not an expert in crime, but he or she can go to experts, and if they have solid advice, solid suggestions, guidance, teaching et cetera, then we can do something to make our business districts more vibrant, more vital.

Ms. GRAVES. I organize black neighborhood watches along with—directly along with the Buffalo police liaison officers, and a common complaint is that if they only could see an officer in the parking lots or around the businesses, they would feel so much safer about going to those stores, and our statistics prove that where we have had a uniformed officer there the crime is nonexistent in that 2 or 3 week period, so we know that it works.

Mr. LAFALCE. Good.

Congressman Schumer.

Mr. SCHUMER. Thank you.

First, I was impressed by the testimony of all three of the witnesses and learned something from each. I will try to keep my questions to a limit, although I may want to come back and ask you questions after this hearing is over, to help our committee as we formulate our programs.

First, Commissioner Donovan, just about guns a little bit. You know, we are trying to figure out—and it is still not thoroughly a science—where the guns come from, because obviously they don't come from this State; we have pretty tough laws. Ohio is a State with virtually no laws.

Do you find the majority of the guns used in crimes in Buffalo and the surrounding areas—I imagine it would be no different—come from Ohio, or do they come from further away?

Mr. DONOVAN. For a long time, Congressman, we were finding that they were coming from, we thought, Virginia and Florida. Recently, we have tracked a lot to Ohio, which brought it from Cleve-

land down. Our officers, in conjunction with some Alcohol, Tobacco and Firearms officers, worked a joint operation where we seized nine handguns coming down from Ohio, which led us to find that it is coming from the States that have the easier laws.

Still, even in New York State though, one thing has to be addressed; you can still buy the assault rifles with a driver's license here in New York, and we are finding them.

But the weapon of choice obviously—I mean it showed up in New York City—is the 9-millimeter handguns and adaptations of the 9-millimeter handgun, and that is the one that the people are choosing to get their hands on and are paying big money for, and we are finding now that the States that don't have the strict handgun control laws—I am sure the Brady bill will make that a lot better, but we have to really tighten that up, and when somebody buys five or six handguns in a State, that it is registered somewhere, that we can get back to that person. But we know they can get a fake driver's license. They are sharp when it comes to crime.

Mr. SCHUMER. No question. These people are big business people. They are probably making more money than any of the small business people we have on the next panel—illegally, I might add.

What we have tried to do in the bill that I am formulating right now is have a national handgun card so that—and it would be immutable, not forgeable—it will say to the gun owner, "Yes, you have to undergo a little inconvenience. We are not trying to take away your gun or deal with your right to hunt or do target practice or protect yourself," but to prevent the criminals from getting the guns. A little inconvenience is something that people I don't think will mind.

The second thing we are trying to do is to make it impossible for the gun runners to use what is called a straw purchaser. They go to John Smith and say, "I'll give you a thousand dollars; you buy me 500 guns, and I'll come back and sell them in New York."

What we are saying is, with that card, the most you can purchase is one gun a month. Well, it would be too difficult for the gun-runners to become big business people if they could only buy one gun a month per card and then have to find a new straw purchaser.

My question to Mr. Reinhard—I was very impressed with the public-private partnerships that you are doing. Do you see any Federal role in helping facilitate those kinds of partnerships?

Mr. REINHARD. I do. The International Downtown Association has identified several hundred business improvement districts in the United States. Cities like Buffalo have had them for a while. Cities like New York and Philadelphia have recently developed them. Many other cities—and I believe Cincinnati is one of them—are looking into forming them now, and—forming a business improvement district is a means of bringing the private sector to the table and being able to have good rational dialogue with public officials to put together innovative sorts of programs.

My take on the situation is that private property owners are already spending a lot of money on securing the inside of their buildings; they don't particularly mind spending a little bit more money on the outside of their buildings so long as they know that money will be well spent.

Mr. SCHUMER. Thank you.

Finally, Ms. Graves, I was very impressed with everything that you have done in your community. The amazing thing to me is that this is a job that you, as a private citizen and the businesses that you are helping—the same with Mr. Reinhard—have to do themselves.

You know, this is not a debate. We debate in Washington, in Albany, and I am sure even on the common council they debate what is an appropriate function for government. Should government be involved in this, but not this? And that is one of the great divisions between the two parties.

But nobody debates that it is government's job to keep you safe, and yet, because of so much more that we all have to do, you folks are doing it yourselves. One of the things we hope to do in these crime bill proposals is to say to business people, "OK, we have to help you, we have to be there for you so that you don't have to do it all by yourselves." This is not a debate.

You know, when men and women got up for all fours and formed government, it really had two purposes. One was to deal with external danger, and so they had armies in case someone would invade from the neighboring area. But the second was to have an internal force so people, the few bad people in society, wouldn't run rampant. I must tell you, I have tremendous admiration for what you do. I also have a frustration as a government official, and I know that John and David and Tony, and I am sure even the commissioner, the police chief, would share that, and that is, the anger and the anguish of people out there in the street doesn't translate itself into more effective action. That is our job, to try and do that.

So I just want to give my verbal applause to you and what you have done, and maybe the day will come when you won't have to do that.

Ms. GRAVES. Thank you.

Mr. MASIELLO. May I ask a question?

Mr. LAFALCE. Surely.

Mr. MASIELLO. I don't remember all the details of the crime bill, while, yes, we desperately need more police officers and we need to do a better job in utilizing those police officers, that is not your responsibility, it is our responsibility. But we also need to train our police officers, sensitize them, to educate them.

I mean you can give us the money to hire, but if we don't have the money to equip them, to train them, to educate them, put them in the kinds of equipment that they need to help us protect our people, we are not solving the problem.

You may already have that money in there, I don't know, and I am sorry if I am taking up your time, but also we, as government officials, CEO's of our cities, need some flexibility and a pool of money perhaps. The university district in Buffalo, maybe they need new lighting in the neighborhood; maybe another district needs something else; maybe we need money to organize and train block clubs to help protect themselves.

But we need access to a pool of money that goes further than just hiring and incarcerating. We need money that helps us train, equip, and educate. We also need some flexible money that we can utilize where we deem fit to help secure a community. It could be

new street lighting, it could be something else, but we need that kind of flexibility.

Mr. SCHUMER. Mr. Mayor, let me respond to you. You bring up an excellent point. I met a few weeks ago with the police chiefs of Onondaga County, the sheriff and the people around there, and they brought up the same point. For instance, the Cop on the Beat Program for parts of Buffalo and certainly for the suburban areas isn't going to work if the patrol officer is simply on foot. They won't be able to cover enough. For a shopping district, it would. But even for some of the big shopping centers, foot patrol isn't—

Mr. MASIELLO. We have sophisticated criminals.

Mr. SCHUMER. Exactly. So what we are doing now is changing the bill around to provide some of that flexibility to do things. Obviously, we don't want it to become a grab bag where anybody can say, "Oh, this is crime related and you can apply." That is what happened to the old Law Enforcement Assistance Program in the seventies, and that is why it was ended.

But in terms of some limitation on equipment to help make the Cop on the Beat—the Cop on the Beat Program has been my baby for a while. They tried it in one precinct in New York City where the cops actually walked the beat. It was a mixed neighborhood, part middle class, part poor, and it really worked. So we are going to try to make it flexible to provide the kinds of equipment that would be needed to make it work better. I think it is an excellent point.

Mr. MASIELLO. Let me give you another example. In Buffalo, we have a high rate of car thefts—burglaries also of automobiles, but car thefts. Perhaps if we had a pool of money that we could concentrate an effort in the area where they are stealing these cars, it is a win/win situation. The citizen wins, the police department wins, and the insurance company wins.

When are we going to get the insurance companies who are paying out millions—maybe billions of dollars a year—get them involved in helping us secure our neighborhoods vis-a-vis reducing the rate of car thefts? The insurance companies—we take out policies to secure our homes—have to be taking a beating. Maybe we can get some of their money for preventative types of law enforcement and policing.

Obviously, you can't just turn on the faucet and it comes out, we can't do the same thing, but if we get a little bit from them, in the long run we will save them money, and some from you and some from us, we begin to make a difference and a reduction in the kinds of crimes we are getting.

Mr. SCHUMER. I can see why people are excited about your becoming mayor, because you are really hitting the nail on the head time after time.

Mr. MASIELLO. I am going to get nailed in the head.

Mr. SCHUMER. Yes, well, that is part of the job of being a mayor.

Mr. MASIELLO. I can take it; I can give it, too.

Mr. SCHUMER. That goes with the territory. You knew that, Tony, before you ran. I hope it is easier in Buffalo than in New York City.

Mr. MASIELLO. A lot of people think I got hit in the head too many times.

Mr. SCHUMER. In New York City, the honeymoon is over about the day after the swearing in. I hope you get a longer one than that.

Mr. MASIELLO. In Buffalo, the honeymoon is over in the first snowstorm.

Mr. SCHUMER. You mean before you get sworn in.

The only point I would make is, last year we passed an anti-auto theft bill which was, again, something that we had worked on, and John and David were right there providing the help. It does a number of things. One is making carjacking—it achieved notoriety because at the same time they were all these terrible carjackings—a Federal crime.

But probably the more important part of the bill received less attention, which was marking of parts, because most of the cars now are stolen for their parts. That is why you see so many cars with no bumper, or they break in to get the computer or the radio. We are going to put an indelible number on every part so it can't be put back into the market, and that starts next year.

But another point, and what I bring up for you, is that there were grants for localities that had a real car theft problem. That is now law. There is significant money there, and only two localities have applied. So maybe you can get your chief to put in an application.

Mr. MASIELLO. Chuck, if I may, what role in those past meetings and hearings and the shaping of those laws did the insurance companies play? I mean they have to be taking a beating in this.

Mr. SCHUMER. Well, we had some disputes with another committee, the Commerce Committee, which has jurisdiction over insurance. I called all the insurance companies in, and I said, "Hey, come on, guys, this is important to you." And, for the first time, they formed a group and mobilized and did some lobbying. So we are at the dawn of that, but they could be doing a lot more.

Mr. MASIELLO. Can I take this another step further?

Mr. SCHUMER. Sure.

Mr. MASIELLO. The automobile industry. I mean can't they come up with the state-of-the-art technology, to design automobiles that make it very difficult to steal, radios that are very difficult to take out of your dashboard, wheels that are tough to take off? I mean where are they in this process?

Mr. LAFALCE. Selling new radios, new tires.

Mr. SCHUMER. John is exactly right. One of the main opponents to my bill on marking the parts were the automobile manufacturers. Finally we managed to beat them up a little bit, and we got the bill passed, with the help of the insurance industry. You ought to talk to them.

Mr. MASIELLO. I would like to.

Mr. SCHUMER. Because they don't steal many radiators or things like that.

Mr. LAFALCE. Congressman Mann, do you have any questions?

Mr. MANN. I would just like to thank the panelists for their presentations.

Mr. Reinhard, you are right, Cincinnati is in the process of organizing a business district improvement corporation.

I had a few minutes before we started to walk around your downtown. I am very impressed with what I see. How many miles does the light rail system go?

Mr. MASIELLO. Five and a half miles.

Mr. MANN. Five and a half.

Commissioner, I wanted to get back to the money that is about to be available and the 27 officers. What match do you have to provide? Is it 25 percent?

Mr. DONOVAN. Twenty-five percent, yes.

Mr. MANN. And then how many years do you expect to have the money? Is it 3 or something like that?

Mr. DONOVAN. Yes, for us we would plan on 3 years. The Federal portion of it we figure would pay salaries and benefits for 2.1 percent of the 3-year period, and then the city's responsibility would be the other portion of that.

Mr. MANN. In talking to my friends in the Cincinnati Police Division, one of the problems they saw—and they are applying for 60 officers for some reason, and the police department is about the same size as yours; I have no idea why they had access to 60. One of their concerns is, no money apparently is provided for training, no money is provided for equipment, it is just salaries and benefits.

Do you feel any concern—I mean obviously at the end of the 3 years you can't lay those officers off, particularly if we are committed do community policing. Do you worry about where this leaves you and your budget, or do you worry about that 3 years from now?

Mr. DONOVAN. Well, just to have the additional officers that are needed so desperately right now, we would take that, and obviously our attrition rate would absorb 27. As we move into more programs though, that is going to be a real important thing for us, and that is another thing that we all face in a locality like Buffalo. We only have two training academies a year, so if we hire 27 additional officers and it doesn't come in in a timely fashion—you know, we go February and they don't graduate until May, or they start in September, late August or September, and they don't graduate until December, so we are waiting, you know, that time period. So the timeliness of those is very, very important to us, because we can't make the commitment to hiring until we get that word.

So that is a real important problem, and for us it is 4 months of training. They go a full 4 months of rigorous training. But just to get them out, we will take it, Congressman, to get the additional people out there.

The big part for the police chiefs is that they have to be used for that community policing and not for other duties, and that makes it a good commitment, strong commitment on the commissioners, you know, making sure your people are in place where they have to be.

Mr. MANN. Cincinnati has had the program for about 3 or 4 years and is trying to expand it. Of course, all neighborhoods want it as soon as they see it, and the remarks—not just the remarks in terms of how neighborhoods and citizens feel, but we are beginning to see some reduction in crime, the crime statistics in the neighborhoods where the Cops Program is in place.

But thank you all very much. I appreciate it.

Mr. LAFALCE. I just have one comment that I want to make before this panel concludes. I know of so many individuals who like to consider themselves tough on crime, but perhaps the toughest on crime are the police officers, such as yourself, Commissioner Donovan. In my district I have not only urban America and suburban America but a tremendous amount of rural America too, and so many of my constituents belong to the National Rifle Association, and their members consider themselves extremely tough on crime. And yet, Commissioner, these two groups, the Police Officers of America and the members of the National Rifle Association, speak such a different language when it comes to the responsible way for government to deal with the sale, the issuance, the licensing, the registration of guns.

As part of your community policing efforts, if you really believe that additional legislation is imperative to deal with the problem of crime, I think it would be very, very helpful if the Police Officers of America made a special effort to network with the legitimate sportsmen of America who use guns, especially those belonging to the NRA, by going out and joining their clubs, becoming one of their members, and speaking with them, and educating them as to why you think responsible, reasoned, balanced legislation is not only desirable but necessary and in no way injurious to the full use of all their first amendment and constitutional rights and privileges.

Mr. DONOVAN. That is very, very important. I mean very few instances where people have gone and applied for pistol permits are using them in crimes. That is not what is happening, but just a proliferation of all the firearms has caused it, and I think that cooperation with them—we have great relationships with those groups, but the word now is the chiefs and the police are taking a stand against it because we are just overwhelmed with the problem.

Mr. LAFALCE. The fact of the matter is, the Brady bill, which is now the law of the land, takes a minimal step in bringing some semblance of reason to the issuance of guns, a minimal step, and yet you can't begin to believe the overwhelming political force that was used in an effort to defeat that bill and which caused it to take years and years and years to bring about.

If we are to make any reasonable advances in this effort, we will need not just the voice of the police of America, we will need their active, educative efforts with the principal opponents of such legislation.

Mr. DONOVAN. That makes very good sense to me, Congressman. Thank you.

Mr. LAFALCE. I want to thank all the members of the panel for coming here. We will be in touch with you further with additional questions that might arise that our staff might have, but your efforts have been very helpful both to Congressman Schumer's committee and to mine. Thank you very much.

We will now have the second panel. Please come to the table. The first panel consisted of one elected public official and then others whose chief job is, amongst other things, to deal with the problem of crime.

This panel, unfortunately, is represented by individuals who either personally or professionally have been victims of crime, and our hearts go out to each and every one of them, but it goes out especially to Mr. Sutfin whose brother, unfortunately, was shot and killed on his very first day on the job at Tomato's Pizza on Kensington Avenue in Buffalo.

I would now like to call upon, though, Congressman Schumer to give a brief introduction of each and every one of you.

Mr. SCHUMER. Thank you, and again, I know everyone joins us, Mr. Sutfin, in extending condolences on the tragedy in your family.

The members of the second panel have all been directly affected by crime. They represent a range of different kinds of small businesses and a spectrum of the kinds of crimes they suffer. As John mentioned, Donald Sutfin lost his brother, Michael, last year, to violent crime. Michael was, by all accounts, an ideal young man. He had his own small business, worked at other jobs part time, and was preparing for graduate school—the America dream, if you will—and he was shot and killed in a holdup on the first day of his part-time job.

Mr. Bob Bavisotto is an executive with Supermarket Management. As a manager of the Topps Market at Niagara Street, he has directly experienced the problems of providing essential service to a community experiencing rising crime.

Mr. Ron Mort is the owner of Printing Productions in Niagara. His business was burglarized three times during the last year, and fear of violent crime has affected both his costs and, just as importantly, the way he has to conduct his business.

Finally, Ms. Alison Kimberly is the owner of Par Avion, a high fashion—did I say that with the right—

Ms. KIMBERLY. Pretty good.

Mr. LaFALCE. Very high fashion.

Mr. SCHUMER. Very high fashion women's clothing store in downtown Buffalo. Ms. Kimberly has suffered a dramatic increase in insurance costs because of burglaries. She will also tell us about the indirect effects of the perception among customers and potential employees of violent crime in the area around her shop.

I want to thank each of the witnesses for being here. As Chairman LaFalce mentioned, you know, we hear all the statistics, but it is the concrete stories that we will hear about and that will be read into our record, and other Members of Congress, when they read the record, will hear, that often motivate us to action.

So we will begin with Mr. Sutfin.

STATEMENT OF DONALD SUTFIN, ARCADE, NY

Mr. SUTFIN. I would like to thank you all for inviting me here.

Basically I am here on behalf of my brother. My brother was 24 years old when he was killed last New Year's Eve. He was a graduate of UB; I think it was cum laude. He was working a couple of part-time jobs. He had his own business in regard to building picnic tables. How that started out was, he was a junior in college up at UB, and they had a housing problem, and he saw an opportunity to build lofts and make some extra money for school, so he did that his junior year and sold roughly 10 or 15 lofts and made some decent money on it.

Then, with his fraternity, he was able to sell the lofts in giving, like, the fraternity \$10 for each loft they sold. The business started to flourish there. He graduated from UB and was thinking about grad school and decided to go out and get about a year or two's worth of experience before he went back. He then started building picnic tables. He was doing that for roughly two summers, along with still working with his fraternity to sell lofts up at UB.

Then, last December, business was a little slow, and he decided to take a job with Tomato's Pizzeria as a pizza delivery man. He spent roughly 1 hour and 20 minutes on the job before he was murdered.

It is just tough to say how it has affected our family. Right now, it is just myself and my parents. My father, his strive for life, you just saw it take out of him. I work very closely with him, I work for the same company, and he has got 37 years with the business, and you can just see his zest for life just be totally depleted.

With the trial coming up and the holidays, it has been real tough on the family. My mother is doing rather well, but she has her ups and down days as well along with myself and my fiancée.

How it affects small business—I mean basically his picnic table business, he had roughly three or four part-time employees; they are now gone; the business no longer exists. As for Tomato's Pizzeria, I know that was sold to another person. I mean there are just a couple of effects in regard to what happens in a small business in regard to this crime.

All these laws and everything that are being passed, I appreciate everything you guys are trying to do to get a tougher act on crime. This gun control I think is going to be a positive, but I don't think it is going to be as much a fact as there really needs to be.

I have heard everybody here this morning mention a couple of things in regard to getting back to basics. As Congressman LaFalce said, disregard for the law, and I think that is the biggest thing right now in America is that people have no regard for the law.

For instance, the shooting in your area, Congressman Schumer, I mean that gun was legal from what I have heard. The gun that killed my brother was legal. So basically we are going to prevent a lot of illegal guns getting on the street, but it still comes back to the person pulling the trigger. They have got to be responsible for where there projectile ends up.

The only way that I think we can solve the problem is get back to criminal punishment. It will decrease the prisons overcrowding, and it will put fear into somebody saying, "Hey, if I pull this trigger and this person dies, I might be in the electric chair, the next person."

So I think you have got to get more regard for the law and you have got to put fear in people in regard to committing these crimes. Sentences are too lenient, and I understand with the overcrowding in the prisons and where budgets and everything are at, but somehow we have got to get some fear back into people for committing these crimes: "Well, yes, I'll go to jail for 5 years, but I'll be out in 2 because they don't have room for me." I mean that, to me, is what a lot of people's attitudes are now, it doesn't matter—you know, "I can do it, and I'm just going to get a slap on the wrist."

Mr. SCHUMER. Thank you, Mr. Sutfin. We know it is not easy for you to be here, and we appreciate it.

Mr. Bavisotto.

**STATEMENT OF ROBERT J. BAVISOTTO, SUPERMARKET
MANAGEMENT, INC., BUFFALO, NY**

Mr. BAVISOTTO. Thank you for having me here, gentlemen.

For the past 23 years I have been employed by Tops Supermarkets, Inc. Supermarket Management is a franchise of Tops Markets, Inc. In 1979, I became the manager of the Tops Market, 409 Niagara Street, located on Buffalo's Lower West Side.

The profile of the Lower West Side provided by the 1990 census is one of a community in distress.

The median income is less than one-half of the rest of the city and one-third that of Erie County. In 1990, 4 of 10 households received public assistance and the unemployment rate of the neighborhood was 18.9 percent.

We operate our store basically the same way a suburban store is operated. As part of the Tops chain and advertising program, we do not adjust our prices to absorb any added expense associated with an inner-city store.

In an effort to prevent shoplifting, in 1990 we installed an electronic article surveillance security system similar to the ones found in department stores. This system sounds an alarm and flashes a light when customers pass through with tagged items they have not paid for. This system costs us \$13,000 per year to operate. We are now in the process of installing a closed circuit television system to provide additional security for our customers and associates.

We schedule security guards 7 days a week an average of 8 hours a day. The cost is approximately \$23,000 annually. Our security expense is six times that of an average Tops Market.

In the first 11 months of this year, we had 156 shoplifting incidents for a total of \$2,400 recovered. We estimate our losses due to theft at \$40,000 annually.

We provide many office services. We issue food stamps, public assistance benefits, sell money orders, all of which require us to have large sums of cash and food stamps on hand. In order to protect the store from the potential of robbery, we have to have a costly crime insurance policy.

We cash over 40,000 checks per year for our customers. Last year we had a bad check expense of \$6,300, which is twice that of an average Tops Market.

Fifty-four percent of our customers do not have transportation. As a result, the loss of shopping carts presents a big problem. In 1991, we purchased 150 new carts costing \$15,000. From that period to now, we have purchased an additional 355 used carts at a cost of \$16,000.

Some economically disadvantaged persons try to be entrepreneurs in our parking lots. They panhandle; they sell jewelry, TV's, VCR's; they sell their food stamps and their vouchers for cash. These people add to the negative image of our store and to our neighborhood.

Our public liability insurance rate is twice that of a store outside the city. This results in an additional \$19,000 added to our cost of doing business.

Weekly, the news media reports on many different problems found on the Lower West Side. Drugs, robberies, shootings, and most recently the needle exchange program all have led to a negative perception of the Lower West Side. We have not enjoyed the sales growth that the suburban stores have in our company.

The result of all this is, in the first 10 days of the months when food stamps and public assistance are available, our store is 30-percent busier. This creates a hidden cost of operating an inner-city store. We use an average 200 additional overtime hours per month to serve our customers' needs and to keep our store stocked. The cost of this is \$9,800 annually.

Our additional security, insurance, and payroll expense, losses from shoplifting, vandalism, and the negative perception of our neighborhood have resulted in flat sales and depressed profits. Our store has not been able to keep pace with the expansion and updates found in the suburban stores.

At 28,000 square feet, ours is the smallest Tops Market in the company. Most Tops are twice our size, and the new Tops are built three times our size. As a result, our customers have a small neighborhood supermarket with a limited variety of products, services, and departments to choose from with a higher degree of risk of injury or theft.

Thank you.

[The prepared statement of Mr. Bavisotto follows:]

TESTIMONY TO CONGRESSIONAL SUB COMMITTEE HEARING
ON CRIME'S IMPACT ON SMALL BUSINESS

For the past 23 years, I have been employed by Supermarket Management, Inc.. Supermarket Management is a franchise of Tops Markets, Inc. and operates three Tops Supermarkets and one B-Kwik Market.

I started my career pushing carts and worked part time while attending high school. After graduating from the University of Buffalo, I took part in the Tops Management Training Program. In 1979 I became the Manager of the Tops Market at 409 Niagara Street. That store is located on the block between Maryland and Hudson Streets on Buffalo's Lower West Side.

Since 1979 my responsibilities have been expanded. My current position is Vice President-Secretary of Supermarket Management.

I am a member of the Board of Directors of the Lower West Side Development Corporation. This housing organization provides the following programs to the Lower West Side: Home Improvement Program, Acquisition-Rehabilitation Program and Arson Awareness Program to our community.

I am also a member of the Niagara Street Task Force. This Task Force is a group of community, business and political leaders whose goal is to improve the quality of life of the Lower West Side. We are working to promote commercial revitalization, neighborhood development and the preservation of the area's cultural diversity.

The profile of the Lower West Side, provided by the 1990 Census is one of a community in distress. The median income is less than one-half the rest of the City and one-third that of Erie County. 85 percent of the households are occupied by renters, with two-thirds paying more than 30 percent of their income for housing. In 1990 four out of ten households received public assistance and the unemployment rate of the neighborhood was 18.9 percent.

We operate our store basically the same way a suburban store is operated. Our store is marketed for the demographic make up of our neighborhood. However, the difference between our store and the suburban stores is the variety of products and departments. We are severely limited by our physical size, which is less than one-third the size of some of the newer stores being opened by Tops.

In 1991 we installed a scanner system to improve customer service. The scanners provide faster service, itemized receipts and insure price accuracy.

Our prices are downloaded from Tops' computer to our scales and registers weekly. We employ a scan coordinator who works 40 hours per week to insure scanner accuracy in our store. As part of the Tops chain and ad program, we do not adjust our prices to absorb any added expenses associated with an inner city store.

Security Expenses

In an effort to prevent shoplifting, in 1991 we installed an electronic article surveillance security system, similar to the ones found in department stores. This system has pedestals at each register and at the end of the registers where customers enter our sales area. This system sounds an alarm and flashes a light when a customer passes through with a tagged item that they have not given to the cashier to pay for.

Customers who walk through and set off an alarm are asked if they have anything they may have forgotten to pay for. If they do and are willing to pay for the items, we let them.

We tag all items from our fish department, all high priced items from our meat department and other high priced items in the store such as film, batteries and medicine. This system costs us \$13,000 per year to operate. That includes maintenance, the cost of the equipment and the cost of the tags that we put on the different items. We use approximately 120,000 tags per year.

We are in the process of installing a closed circuit television system to provide additional security for our customers and associates.

We employ both off duty Buffalo police officers and contract security guards. These security guards serve as a deterrent to shoplifting but most of all, the guards give our customers and associates a sense of security. During the 10 years we have employed security guards, we have had only one armed robbery.

We schedule security 7 days per week, an average of 8 hours per day. The cost of these security guards is approximately \$23,000 annually. We also employ undercover security one day per week at an annual cost of \$2,600. At one time we employed only off duty Buffalo police officers however, when the hourly rate for Buffalo police officers jumped 50 percent, we opted for contract security guards. We did not cut our security expense rather we covered more hours of our business with security to provide customer and associate safety.

Our annual security expense is .30 percent of sales compared to an average Tops Market which spends .05 percent of sales on security.

Shrink

In the Supermarket business shrink is the difference between what the store is billed for and what actually is rung up at the register which is determined after a physical inventory. The difference is caused by damages, theft and in the first 11 months of this year we had 156 shoplifting incidents, of these 48 were arrests. Each one of these persons had an average of \$38.00 worth of merchandise. The remainder of persons released had an average of \$7.00 in merchandise for a total of \$2,434 year to date.

We have no idea of how many shoplifters get away. We estimate shrink in our nonperishable departments to be .28 percent of sales or \$40,000 annually.

Shoplifters who appear to be under the influence of drugs or who tell us that they are HIV positive, we do not try to detain. Because of the high cost of insurance, both compensation and liability, we have instructed our associates not to fight with shoplifters. We do not want to expose our associates or customers to the risk of personal injury.

The police precinct which is located two blocks from our store, is very busy, especially at night. We wait up to 45 minutes for a police car when we do arrest a shoplifter. This ties up 2 associates for that time and we pay our security or associates a minimum of 2 hours for court time.

We have tried the New York State Civil Restitution Law to collect from our shoplifters. New York State allows five times the retail price of the merchandise or up to \$75. To date, we have collected \$230.

Office - Banking Services

We provide many office services. We issue food stamps, public assistance benefits, money orders, Western Union money transfers and take utility payments, all of which require us to have large sums of cash and food stamps on hand, especially the first 10 days of the month. In order to protect the store from the potential of a robbery and still serve the community with these office services, we have a costly crime insurance policy.

We cash over 40,000 checks per year for our customers. We follow a very strict store check cashing policy, much more stringent than the suburban stores. Even with the safeguards we have built into the system, we still get bad checks as do all businesses. However, when we try to collect on these checks, the persons have moved, changed jobs, changed phone numbers, making it almost impossible for us or our collection agency to contact them to try to recover some of this money.

Last year our bad check expense was .05 percent of sales or \$6,300, compared to .03 percent for an average Tops Market.

Parking Lot Problems

As I mentioned before, 54 percent of our customers do not have transportation. As a result, the loss of shopping carts presents a big problem. In 1991 when we installed our scanner registers, we also purchased 150 new carts costing \$15,000. From that period to now we have purchased an additional 355 carts to replace carts that had been lost. Presently, we buy only used carts because of their short life expectancy. The cost of these additional shopping carts over the last two years was an additional \$16,000.

We schedule a store clerk outside in our parking lot 13 hours a day, 364 days a year at a cost of \$23,000. His job is helping customers to their cars, reporting problems in the parking lot and preventing carts from leaving the parking lot. Our parking lot has its share of vandalism to customer's and associate's cars.

Some economically disadvantaged persons try to be entrepreneurs. They pan handle, sell jewelry, TV's and VCR's (which may be boxes with rocks in them). We also have persons trying to sell their food stamps and vouchers for cash.

These people add to the negative image of our store and neighborhood. Many times we call the police to get rid of these people but this is a low priority call and can take up to 30 minutes for a response.

We spend approximately \$500 per year painting and repainting the sides of our building due to vandalism. We spend another \$500 per year to rent open top containers to haul away tires, furniture and other junk that people in the neighborhood dump on our property.

In the last 2 years, we have leased from the power company three additional 1,000 watt flood lights to better light our parking lot. This has added \$1,500 annually to our electric bill.

Insurance Expense

Our Public Liability Insurance rate is twice that of a store outside the City of Buffalo. This results in an additional .14 percent of sales or \$19,000 added to our cost of doing business annually.

Perceptions of Lower West Side

Weekly the news media reports on the many different problems found on the Lower West Side: drugs, robberies, shootings, domestics and most recently the needle exchange program which is scheduled to start up 2 blocks from our store. All have led to the negative perception of the Lower West Side.

We have not enjoyed sales growth that the suburban stores in our company have. I feel that since the image of the Lower West Side has become more and more negative, we are no longer drawing shoppers from the edge of our marketing area. These customers are going the other direction to the new, larger, state of the art stores found in the suburbs.

Conclusion

The result of all of this is the first 10 days of the month when food stamps and public assistance are available, our store is 30 percent busier than the rest of the month. This creates a hidden cost of operating an inner city store. Because of the higher volume for the first 10 days of the month, we use an average 200 additional hours of overtime per month to serve our customers' needs and to keep our store stocked. This additional overtime adds .07 percent of sales to our payroll annually. We've tried temporary help in the past for the first 10 days of the month but this is very inefficient due to the training need to bring temporary help up to speed.

Our additional security and insurance expense, losses from shoplifting, vandalism and negative perceptions of our neighborhood have resulted in flat sales and depressed profits. Our store has not been able to keep pace with the expansions and updates found in the suburban stores. At 28,000 square feet, ours is the smallest Tops Market in the company. Most Tops are twice our size and the new Tops are built three times our size.

As a result, our customers have a small neighborhood supermarket with a limited variety of product, services and departments to choose from with a higher degree of risk of injury or theft.

Mr. SCHUMER. Thank you, Mr. Bavisotto, for very comprehensive testimony.

Mr. Mort.

**STATEMENT OF RONALD E. MORT, PRINTING PRODUCTION,
NIAGARA, NY**

Mr. MORT. Thank you, Congressman.

My name is "Small Business of America." I work 12 to 16 hours a day, usually 7 days a week. I make my living the old fashioned way; I earn it. My business is located two blocks away from one of the Seven Wonders of the World and a major gateway to America. The roar of the falls can be heard, the vistas visible as I approach my place of business every morning. But the sad fact is that I do not know if I have a business or will be able to function as a business due to the crimes that have occurred in the past.

Operating a small business in the economic climate of today along with the State and Federal Government regulations is difficult enough. The fear of the unknown criminal element that exists in our society today makes it even tougher yet. That fear is not only evident when my business closes but also exists during normal daylight hours. Our work demands us to be creative, precise, and competitive. When our doors open, we don't know whether it is a client or a criminal.

Our employees are very dedicated in producing a quality product from start to finish and are proud to be a part of the American work force. It is ironic that they have to work in an environment likened to that of a prison—boarded windows, locked doors—only to look out and see the criminal enjoying freedom without any fear.

Thank you.

Mr. SCHUMER. Thank you, Mr. Mort. Again, you put it better than any of us could.

Mr. LAFALCE. Mr. Mort is a neighbor of mine. I have an office on Main Street in Niagara Falls.

Mr. SCHUMER. Ms. Kimberly, if you could just move the microphone, it helps the transcriber.

**STATEMENT OF ALISON KIMBERLY, PAR AVION, INC.,
BUFFALO, NY**

Ms. KIMBERLY. First of all, I would like to say way back when, when Congressman LaFalce made his opening remarks, you mentioned some article in Business Week about the statistics in Columbus, OH. That list of crimes, with the exception of, I believe, murder maybe and robbery, I or my business have been a victim of. Now that is a terrible thing; it is a terrible thing.

I live in downtown Buffalo, I work in downtown Buffalo, and I relate to that list of crimes—an average, middle-class, middle-aged lady. It is a bad indictment on our society, I believe. That is not what my speech is, though.

I am the owner, as you know, of Par Avion upscale women's specialty shop. We are located at the corner of Delaware Avenue and Tupper Street, which is the Kensington Expressway which provides a lot of traffic in downtown Buffalo.

Delaware Avenue was once referred to, when I was a child, as the Madison Avenue of Buffalo, and when the store moved to this

location in 1972, it was a really thriving retail area. There were at least a dozen comparable stores within a two-block radius. Customers came from all over western New York, lots and lots of walk-in traffic, lots of night business, and business was very good.

Within the last 10 years, and specifically the last 5, I think, the retail climate in downtown Buffalo has undergone a radical transformation. Crime is the No. 1 thing on everyone's mind.

To those of us who have been victimized in one way or another, it is a sad way of life, and it is a fact of life. At Par Avion, we can no longer be open any evenings, even at Christmas time. No customers come after 6; they are too afraid. But, more importantly, as an employer, I cannot ask my help to walk to their cars in the parking lot or wait for a bus. I can't do it. I employ women, and it is not safe.

Within the confines of the store, which is located on the first floor of a masonry building at a very busy intersection, as I said, we aren't always safe there. There have been numerous incidents of shoplifting, and I would wager—I was interested in your statistics, my gut feeling is, my losses at wholesale are probably in the neighborhood of \$5,000 a year. That is a guess; I am not really sure.

But we have had numerous incidents of shoplifting, both blatant and concealed. When we are lucky enough to catch the individual, we do prosecute. We get the merchandise back, sometimes in decent shape, most often not.

A month or so ago, a woman's purse was snatched as she was walking down the common hall on the first floor of this office building, 4 o'clock on a Friday afternoon. Now there was a knife shown. It wasn't used on her. Needless to say, she gave it up. This is a woman who works in the building, coming in through the back door from the parking lot.

Needless to say, the back doors of the building are now locked between 4:30 and 5 every day, which is a great inconvenience for a lot of tenants. That is the way it is. I am the first store there, the first business there, and, as I say, I employ only women. So I have got to have that door locked.

In 1990, Par Avion had a series of broken windows. This started with one incident in June. In the month of October 1990, there were four separate smash-and-grab incidents, most of them being on my side windows which are on Tupper Street. They are smaller panes of glass than the Delaware Avenue ones.

A week later, in the month of November—so that would be only five instances in 2 months, but it is really in 4 weeks—I had two of my front windows on Delaware Avenue, which are very large, they are tinted, they are heavy, triple plate—they were broken and merchandise taken.

The cost of replacing especially those front ones, every one is quite dear, and as a result of the 1990 incidents—there were only six—I mean six in a year, it is not too bad—our insurance company declined to renew our policy the following year, and we were also classified as uninsurable for glass coverage.

Now you do know that when someone is classified uninsurable, it goes into the big computer in the sky, and there ain't no company on Earth that would write me glass coverage.

Several years ago, I explored the possibility of a second location in the suburbs, and in the course of doing this research, of course, I got some quotes on business insurance. The price quoted—and we are talking about the same size premises, maybe not the same amount of glass, but that is another story—the price quoted me, because it was a different zip code, for the same coverage was considerably lower.

In addition, I discovered, because I have friends who have shops out there, many retail stores there do not even have security systems, they don't have video cameras, they don't have holdup alarms and all that, that I have, and most suburban stores, retail stores, even carrying clothing, which is a highly desirable item for the smash-and-grab, they don't even have glass insurance. I couldn't believe it.

As a retail store located at a busy intersection, window display is extremely important. In fact, one reason we moved to that location was all the windows and the great visibility and the high traffic.

In the late 1970's, we did have two incidents of breakage of the front plate glass windows, and after that we installed this god-awful grates, and we pull them every night and padlock them. So on the Delaware Avenue side, all you see is armed camp and then merchandise behind the armed camp.

Now on the Tupper Street side they are bays, and the grates are behind the window display, but I can't fill the windows with merchandise any more. I mean these are perfect, beautiful show windows. So I only have a couple of outfits in each of these windows, but they have got to be wired in. God forbid somebody buys something out of them; it is not easy to undo it.

But that still doesn't stop the malicious mischief, the vandal who just likes to break glass and run because it is fun—"Oh, here's a big piece of concrete; let's see what I can get." Well, they get nothing. But I don't even report those incidents to the insurance company—don't bother. They aren't too bad, the small panes.

In addition to the aforementioned window grates, we have installed numerous upgrades to the security system. We have put an outside horn on a building that we don't own, and that is tripped when the burglar alarm goes off. It goes on for 20 minutes and breaks your ear drums, but there is nobody living there so it doesn't disturb anybody except the bad men. Installed two closed circuit video cameras; and all of my employees have had antishoplifting training that was given by the Buffalo Police Community Services. Very interesting.

All of these expenses today are a normal cost of doing business in downtown Buffalo, and I don't think it is the same in other zip codes and certainly not in a mall.

The few remaining retailers in our area have developed a telephone warning system. If one sees a suspicious character either within the shop or around going into someone's store, we call. You know, we know a lot of these shoplifters. In fact, one shoplifter came to a shop that had been across the hall from me in my building, and one of my help recognized the fellow, and she just stood at the door of the store, and he saw her, and he said, "I told you I'd never come to your store again. I'm not in your store." She said,

"I don't want you in this building." We don't own the building, but she didn't like him. She knew he was up to no good, and he left. It is terrible when you know your shoplifters almost by name. That is not a nice thing.

So when we spot one of these guys and we see they are going into a store across the street, we call them. That helps a lot, because very often they think—we have had a few people who have tried to turn the 50's—"I gave you a \$50 bill for this," for the \$2 earrings. One girl did that about four times in four stores. She did it the same day. I mean that was really stupid. She didn't get away with it.

I would really hesitate to recommend that an individual locate a retail business in the current climate in downtown Buffalo, and I am a big downtown Buffalo booster and have been so for 20 years. I live in Allentown. I work two blocks from where I live, and I love cities, but crime or the perception of it is just too rampant. It is not helped by the media, but in point of fact, it is there, and as a woman employing only women in a business catering primarily to women, it is not safe.

Mr. SCHUMER. Well, thank you, Ms. Kimberly.

Our panel has made abundantly clear the problems small business face far better than anything we could do, whether it be in terms of the kinds of costs that Mr. Bavisotto and Ms. Kimberly outlined or just the basic fear that Mr. Mort talked about, and of course the horrible loss that Mr. Sutfin suffered.

Anyone who thinks that we are all not paying a cost for the crime in small business should simply look at what happened today. Our prices go up, we pay more, the fear that is out there, and the deterioration of neighborhoods are all related. You can't have a vibrant downtown area without shopping, and if people are afraid to go, that is the end of it.

So you have all really reflected the four faces of crime. I think what you have said, each in your own way, is a call for action. We cannot have a society where this continues. Our society will eventually break apart.

I don't know of a time in America—and I would have to go back in history, I think, to the medieval days, and we don't want to go back to the Dark Ages, where the fear was as great as it is now and the costs are as great as they are now.

I don't really have any questions, other than to say once again, thank you. Thank you for taking the time. It is not easy.

As I mentioned, my dad was a small business person, and the greatest anguish he faced was that call from the police that your store has been broken into.

Ms. KIMBERLY. At 4 a.m., that is when it happens.

Mr. SCHUMER. Yes, exactly. It is horrifying. I mean our home has been burglarized, our car has been stolen, but the worst thing of all, of all the things I can remember, is having to go down to the shop and seeing it just be a mess, because that is your whole livelihood, that is everything.

Not only do I sympathize with you, but I want to assure you that Chairman LaFalce and I are going to look at every way we can to get the Federal Government involved in stopping the kind of crime that affects business.



Mr. LAFALCE. I want to thank you very, very much. I, too, do not have any questions, but I think you have made a very valuable contribution.

I have really never had it hit home as much as it has this morning, listening to you, from your personal loss, Mr. Sutfin, to which no words can give even a little bit of adequate consolation, and from the other members who spoke so eloquently of how difficult it is for them to do business, especially in urban America, because of the problem of crime.

I can tell you this, that in the future, whenever I hear individuals from the U.S. Chamber of Commerce talk about the problems of business, whenever I hear individuals from the Small Business Administration or the U.S. Department of the Commerce talk about the problems of business, I am going to make sure that they talk about the problems of crime also, because you can't conduct a business unless you can have safety for yourself, your employees, and your customers. That is essential. It is a *sine qua non*.

Mr. Schumer and I are going to be going back to Washington, getting together with members of our committees, such as Mr. Mann and others, and we are going to be talking about things that aren't being done that can be done, and we are going to make much greater efforts in the future because of this hearing that we have had in Buffalo.

For one thing, I am going to make sure that the Small Business Administration comes up with a special program for crime in the small business community. I am going to make sure that they have experts available to talk about what can be done, as Ms. Graves talked about some of the things that could be done.

I am going to be getting together with Attorney General Reno, and the head of the FBI, Lou Freeh, to talk about what special programs their Departments can come up with to assist the small business community of America and its employees and customers deal with this very, very overriding problem of crime, and I want to thank you for assisting me and us in that effort. Thank you.

Mr. SCHUMER. What John says brings up a good point. I think what we ought to do is get the Attorney General, whom I have jurisdiction over, and the Small Business Administrator, whom John does, together in a room with us and make sure that they put this issue on the map for the administration.

Mr. LAFALCE. One of the things Mr. Schumer and I have been doing is whispering back and forth, and what we have concluded is, we definitely have to have a joint hearing in Washington, DC, with all these individuals at the same time to talk about and address these problems, and we need others, too. We need the Secretary of HUD. We need to see what the community development moneys are being used for and how they can be used even more in the future for community development purposes and economic development purposes to deal with the problem of crime, and you could go right down the line. I don't think there is any governmental agency or activity that is not in some way affected by crime, and we have to make sure that all the resources of government are directed toward dealing with it. It is not just police officers, it is not just the Attorney General's Office, it is every single department of government, it is every single American.

Mr. Mann.

Mr. MANN. Let me thank both of you again for hosting this hearing, and I want to thank the panelists for their participation. This is not an easy problem to solve, and I think it requires a kind of intense, energetic, enthusiastic, dedicated response that the two chairs have described.

We can't kid ourselves, it took us a while to get to this point, and it is going to take us a while to dig out of it, and it is going to require some basic changes in the values of this country to really solve the problem, but in the meantime we have got to protect our citizens, and, as Mr. Schumer indicated earlier, that, after all, is one of the basic responsibilities of government.

But thank you very much for giving your time to us today.

Mr. SCHUMER. OK, and I would like to thank Chairman LaFalce for his cooperation and leadership on this hearing. I am sure he will agree, without objection, that the hearing record will remain open for 10 days for the submission of other statements as may be required.

I would also like to thank my staff, Tom Diaz and Aliza Rieger, who did a great job on this hearing. I know John will, but I want to thank Peter Hadrovic who did a fabulous job in putting together—

Mr. LAFALCE. The job he did is as great as he is tall.

Mr. SCHUMER. I would like him to play Masiello instead of me in basketball. [Laughter.]

And finally, I would like to thank the unsung heroes of all these hearings who do the work quietly, and no one ever says anything, so I always try to; today our court reporter is Alma Kristoffersen. And we thank you for coming as well.

Mr. LAFALCE. Thank you.

The hearing is adjourned. Thank you very much.

[Whereupon, at 12:20 p.m., the subcommittees adjourned.]



ISBN 0-16-046732-2



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